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ECONOMIC HISTORY OF EUROPE

TO THE END OF THE MIDDLE AGES

BY

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HOUGHTON MIFFLIN COMPANY

BOSTON NEW YORK CHICAGO DALLAS SAN FRANCISCO

The Riverside Press Cambridge

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The Riverside Press

CAMBRIDGE • MASSACHUSETTS

PRINTED IN THE U.S.A.

EDITOR'S INTRODUCTION

As Professor Knight explains in his preface, the present volume forms the first part of a general economic history of Europe. A second volume, largely prepared by other writers, will bring the account down to the present day. Professor Knight's chapters, however, covering as they do the whole long period down to the time when revolutionary economic changes began to mould the western world into its present form, *have their own separate unity and are therefore published as a separate volume.*

The really important questions about a book of this kind are such as these: On what general plan is it constructed? What sorts of interests does it reflect? Why are some particular things included and others excluded? On what present-day issues does it throw light? What questions does it answer?

It will be observed first of all that Professor Knight tries to avoid imprisoning history in concepts and categories. There are no inexorable "causes" in his pages, no "economic stages," no "laws of historical sequence." Few writers of economic histories have been so successful in keeping clear of forced and arbitrary "interpretations" and "philosophies."

And yet, if history is to be anything more than mere annals, it must have some sort of symmetrical pattern. Out of the infinitely complex fabric of events and circumstance that constitutes the past some particular threads of continuity have to be selected. The field of selection is limited, of course, by the extent and the nature of the records that have come down to us from earlier centuries. It is necessarily conditioned in some degree by the character of the forms and patterns which other writers of history have used. But within those limits and subject to those conditions the selection must be determined by the interests of the writer, and these are bound to be, in part, the interests of his generation.

Some of the merits of Professor Knight's book are obvious — its lucidity, for example, and the skillful but unobtrusive way in which the results got by specialist investigators in many different parts of a very broad field are put together into a continuous narrative. But its chief merit, I think, is that better than any other book in the English language it answers the particular questions about ancient and mediæval history that are most important for the student of the economic problems of the present day. It is the *kind* of economic history Professor Knight has written rather than the way in which he has written it upon which I would put stress.

There was a time when the economists of the older "historical school" were trying to find in the general course of political history a basis for economic generalizations. Later, as one phase of a general growth of interest in institutional history, economic historians began to concern themselves with the legal framework or forms by which at different periods the economic life of different peoples has been ordered. Others have studied the progress of industrial technique or the changing forms of industrial organization. All of these things are necessary elements in economic history. The only question is one of emphasis. What shall be in the foreground of the picture and what shall be subordinated?

Students of economics are coming to find that their most important problems have to do with the structure and the operations of the mechanism of modern business. Buying and selling, the use of money and credit, industrial and regional specialization, markets, commerce, are the characteristic features of that mechanism. The history of the development of that western economic civilization which has now conquered a large part of the world — or at any rate the history of such aspects of that civilization as are most significant for us to-day — is the history of business institutions. To that end we must look first of all at commerce, for industry and its technique are the servants of commerce. And we must go back to the early civilizations of the Eastern

Mediterranean, where business institutions, as we now know them, had their roots. Then the path we have to take is the one which Professor Knight has traced. Agriculture, industry, technique, social and political organization are all firmly woven into the narrative. But the particular "thread of continuity" around which Professor Knight's well-proportioned account is organized is the one to which I have just pointed.

Such are some of the reasons for my belief that for the student of economics the present volume is the best introduction he can find anywhere to the problems of economic history.

ALLYN A. YOUNG

PREFACE

DURING the past twenty-five years the American economist's view of European economic history has undergone a great change. At the opening of the twentieth century the student of economics was usually led through a manual of English industrial history, or made the journey by himself. English constitutional history was then the conventional introduction to European institutions. To install some economic fixtures in this ancient and familiar edifice seemed quite logical, not to say pedagogical. Moreover, the "revolution" part of the expression "Industrial Revolution" was taken much more seriously, and less critically, than it is now, which added to the emphasis on England. The supposed break with the past in connection with that series of changes was enormously overdramatized by a group of enthusiasts — to what extent we hardly realize even yet. Finally, Americans did not then have the interest in, or the dealings with, the continent of Europe which have since developed.

Many economists and historians were reading the continental European materials. Some had studied at French and German universities, and learned from shrewd observation that the life of the British Isles is far from a full sample, or even a particularly representative one. England's insularity gave her a peculiar independence, but only at the price of economic backwardness, until a period which is only yesterday in the whole course of European development. In more recent times the possession of a polyglot, world-wide empire has again made Great Britain a special case.

A quarter of a century has carried us a long way also from the mechanistic notion that a study, no matter how detailed, of the mere technique of production is anything like an adequate key to the understanding of an economic order. We have just seen the physical equipment of a large and highly

industrialized section of France restored — better than ever because nothing is obsolete — in less than ten years, out of the memory of man and the crust of the earth. The more we have looked at the organization which underlies technique and carries the latter in its records and habits, the more we have been forced to look away from the British Isles to the continent. A glance at gild life and the beginnings of modern capitalism sweeps almost immediately from England to the Flemish, German, and Italian towns which dominated her commerce for centuries, enjoying even a definite immunity from the more primitive English laws and regulations. Back of the North European commercial town, and the great fair where came together the peoples and goods of every corner of the Continent, lay the Italian cities, the supremacy of whose merchants and money-changers over the North and West of Europe lay in their accumulated financial power.

But who were these Lombards, Caursines, Jews, and Syrians who named the Wall Streets of Europe after themselves? Again we must have recourse to history. When the great Mediterranean empire, one late phase of which we call Roman, removed its administrative center from Rome, and together with it such outworks of financial sway as had been drawn westward, the back country of western Europe fell into a period of disorder. This was brief in southern Europe, longer on the far frontiers of Gaul and Britain. Merchants and financiers from the great, polyglot Mediterranean empire, called "Eastern Roman" and then Byzantine, settled in Italy, and also adventured for profit all over northwestern Europe. Later these great firms of Syrians and Jews took native Italians into business with them. With the heart of the continent to draw upon and sell to, the northern shore of the Mediterranean usurped the economic leadership of the eastern. The whole southern fringe of western Europe fits badly, or not at all, into the conventional picture of "medieval" life.

The purpose of this volume has been to set down, with the utmost economy and simplicity of language, the important

facts as now generally accepted about the main course of economic evolution in Europe to the end of the so-called "middle ages." This was about the sixteenth century, when commercial and financial supremacy again moved — this time to the Atlantic seaboard of Europe. A second volume, bringing the account down to the present, has been written in first draft, largely by Professor Felix Flügel, of the University of California, and Professor H. E. Barnes, of Smith College. It is now receiving expert criticism, and should appear before many months. The reason for dividing the task was the vast bulk of the materials to be looked over, and especially the slow, cautious labor of sifting the narrative down to simple essentials without destroying its value as economics and history.

Those familiar with the continental European materials and approach, especially the French, will not regard the present book as an innovation, or as particularly original. If I have inadvertently wandered at times from the main thread of Europe's economic evolution, from the strictly historical method, or from those topics on which the economist as such wants or needs light, I have thereby wandered also from my declared aim. To accomplish such a purpose, which entails the following of a comparatively narrow path down through the centuries, there is no need for generalizations about "economic stages," or for the comparison of distant epochs and localities, except to explain what went on at some specific time and place. Without reflecting in any way upon the importance of that sort of task, I leave it to the sociologist, to whom it seems to belong. It may not seem out of place to disclaim any criticism of books on English industrial history. In discarding that subject, however important in its proper place, as a suitable vantage-ground from which to survey the economic development of Europe as a whole, I am merely complying with what seem to me to be the positive requirements of a sound historical method.

I hope it will not seem ungrateful to omit the long list of names of those who have read parts of this manuscript, or

have taken the time to discuss orally the multitude of problems which have come up. Professor H. E. Barnes went through it in first draft, and also submitted parts to specialists. Professor Austin P. Evans read and criticized the mediæval section, also in first draft. The most searching criticisms of all were made by Professor Allyn A. Young, as the Editor of the series in which it appears. To a great many others, I apologize for the limitations of space, and to protect those mentioned I freely admit that their suggestions have not always been followed. Who would knowingly read the book of any person entirely lacking in opinions from which all attempts to dislodge him are vain?

M. M. K.

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ECONOMIC HISTORY OF EUROPE

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PART I

TO THE END OF THE MIDDLE AGES

CHAPTER I

FOUNDATIONS OF EUROPEAN ECONOMIC LIFE

ECONOMIC HISTORY

THE historical method of explaining problems consists of searching their past to find out the factors or forces which have determined the course of their development. This method is particularly applicable to human culture, which has accumulated very slowly and changed very little in any brief period. Even the innovations which have been made recently to meet new conditions are closely related to the inherited main body of our institutions, of which they are merely modifications. History is the account we have of the accumulation of ideas, institutions, tools, and goods.

There are many ideas which have little direct bearing on economic life. These the economic historian leaves to writers on thought and culture. He deals with art and political development only when they directly and obviously affect his main task, which is to trace the development of mankind's organization and technique for making a living. One must remember, however, that the phrase "a living" has not the same meaning for different individuals, times, and places. It varies with the kind and amount of goods a person has habitually consumed, seen others consume, or can imagine himself as consuming on the basis of what he has used and seen.

If no change took place, our institutions would always be working under the same kind of conditions which produced them, and history would be unnecessary. A sudden and

thorough change, if such a thing is imaginable, would likewise cut our connection with the past and make history useless. What actually occurs is that small and incomplete changes take place continually; and we face each morning with social machinery of an antiquity all the way from one day to thousands of years. The few innovations which we shall have time to make must harmonize with the old inherited structure if they are to work, and that structure can be understood only in terms of the partially vanished conditions which produced it. This limiting of what can be done in the present by what the past leaves us to do it with is thus a product of the "continuity of history."

What does or can happen depends upon what has happened. We cannot even think anything which has not at least a remote connection with what we already know or see. A primordial savage, though endowed with twice the inherent mental powers of an Edison, would never devise a phonograph or an electric light. There would be nothing in his environment to suggest it. Even a plow could never have been invented except in a society which already cultivated plants and had animals suitable for drawing the implement.

PROGRESS

Though the whole idea of progress has been pronounced naïve and vague by many philosophical writers in the past few years, the word is still very convenient to designate the development which takes place where the human mind is a factor, as distinguished from mere biological evolution. Man is the species which thinks and uses tools. His mind is intricate, versatile, capable of assembling more units, in a more complicated way, than others. It has a singular capacity for dealing with things exactly in terms of time and space — for taking situations apart and assembling new ones in imagination out of the parts of various others, even when none of them are materially present.

Animals, driven by events, learn something in the process. They tend to repeat any aimless or forced movement which

yields pleasure, and to avoid the ones which give pain. Man's imagination may at times keep him driving through painful experiences toward an entirely new goal, even though instinct pushes him in another direction. His experiments ultimately come to be something more than the aimless or forced trial-and-error gropings of animals. He is more likely to repeat his successes, and less likely to repeat his failures, because of a propensity for analyzing them. Because of superior means of communication with his fellows, and more of a tendency to imitate than is found in animals, a happy discovery by some individual is much more likely to be transmitted to the group, spread and preserved. Change in human societies thus tends to be much more rapid than in animal groups. Progress means literally "moving forward," the "forward" in actual history having been toward greater control over nature, increasing complication in organization, and multiplication of the number of people able to compel the earth to support them.

Human intelligence early manifested itself in the use of a *working* surplus, as distinguished from the stored surplus of the squirrel or colony of bees. The crude weapon or tool was probably the most primitive form of this active surplus or "capital." At first, it was not shaped by man's hand, but merely selected — the stout stick or the sharp stone — then used over and over. A monkey, one of the most intelligent of animals, will pick up a stick or a cocoanut for immediate use, but he soon discards it, unless a human brain has trained him otherwise. With the artificial shaping of tools or weapons to adapt them to specific needs, the human race was well launched upon its amazing career of conquest, accumulation and organization. The hand is a haft for innumerable specialized tools, some extending its reach, like the spear, throwing stick and bow, others concentrating its whole force and cunning on one detail. The brain provides it with a hundred tools, with which it is encumbered by only one at a time, thus multiplying it into a hundred specialized hands.

Language has been one of the most important of human

devices. It might be called a tool for multiplying the efficiency and size of organizations. Man's peculiar judgments about likeness and unlikeness, relations in time and space and the like, got reduced to words. Instead of the animal's mere trumpet call which served as the cue for instinctive flight or attack, sounds and signs came to convey details about how these movements (or others) were to be carried out in time and space. An entirely new kind of concerted action thus became possible. It was not until *written* records were devised — which was only yesterday in the enormously long history of mankind — that language produced the ripe fruits of human organization, and what we call *civilized* associations appeared. This apparently occurred first in western Asia or the Nile Valley. Before it was possible, weapons and tools had also to be developed, some of man's worst enemies subdued or exterminated, and animals and plants domesticated. "Civil-ized" suggests political organization into states, but a state rests upon a definite amount of economic machinery, including the transport and exchange of products and a taxation system.

MAN AND NATURE

To get a clear picture of the relation of this new thinking, tool-using species to the rest of nature, we must turn to a landscape where no human intelligence has yet interfered. Here the possible number of each living form is limited by food supply and competition with rival species. There will be as many big trees as can secure the kind of soil and amount of sunshine they require and can escape their enemies, such as parasites which feed upon their tissues. Smaller trees and plants will struggle for the remaining sunshine and fertility, some avoiding animal enemies better than others by protective devices, such as their bitter taste, thorns and so forth. We will find as many mice, say, as can escape the hawks, and as many hawks as can find mice to live on. The number of any animal species will be limited from above by those which prey upon it, and from below by the numbers of other animal or plant forms upon which it lives. One will get its food and

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escape its enemies by force, another by fleetness, a third by cunning, and a fourth by sheer insignificance. The result is a fairly precise balance of numbers.

It was upon such a scene that man entered, and completely upset the previous balance of species. How? We must wipe out of our minds for the moment what civilized man would do under the circumstances, with ages of accumulated experience behind him. At first, he was pitted against practically every other living thing. He fought those animals which threatened to destroy him, and killed rather indiscriminately what living things he needed for food. From this it was only a step to killing off the other enemies of the plants and animals he wanted for himself.

In this cunning and versatile human brain, the basic idea of economy gradually took shape. Instead of the haphazard destruction of animals and plants, even for food, it was clearly better to protect some. How much better it would be to *tame* his food supply than to take chances on finding it wild, in competition with its various other enemies!

We have little more than suggestive myths and the evident logic of the situations to tell us how animals and plants came to be domesticated in the first place. The only way early man had of storing animal or plant food for any length of time was by keeping it alive. Live things in captivity have a way of multiplying which must have attracted attention and provoked thought. At any rate, few societies have been recorded, however detached or primitive, which depended entirely upon collection or appropriation direct from nature. The steppe or plains peoples of Asia learned to supplement their hunting with herds. In North America there were no animals particularly well adapted to herding, but plants like maize existed which invited domestication, so the natives eked out their hunting and fishing by cultivating these.

Whether herding or hoe-culture came first was chiefly a matter of geography. Plant cultivation requires a more settled and stable society, since growing crops cannot be moved even under pressure of danger from hostile tribes. On the

other hand, there are wide stretches of the earth where climate and soil are unfavorable to agriculture but suitable for a rather elaborate pastoral civilization. Finally, some fishing peoples, like those about the Bering Straits, have succeeded in developing a decidedly higher type of social order than most herding or hoe-culture groups. Thus the oft-repeated attempt to arrange "economic stages," beginning with collection or direct appropriation, followed in sequence by herding and hoe-culture, is sociological rather than historical and chronological, and suffers from the gross defect of ignoring geographical factors.

The important thing in the domestication of both animals and plants is that they added to man's tools and weapons an active, *producing surplus*. A stock for breeding was held intact as far as possible, and only the number in *excess* of this consumed. The species thus annexed to human society now grew where they could be controlled and gathered at will. In a very definite sense they became the allies of man — associate members of human society. They could be protected against their pest or weed enemies, and those varieties selected whose bodies man most coveted. The human species had adopted the general rôle and policy of arbiter in the world. Man proceeded to make over the natural arrangement of fauna and flora to suit his taste by wielding a balance of power in the struggle between sheep and wolves, corn and thistles.

POWER

This much progress might have been made without resulting in the dense populations or the transformation of the earth's surface which we see about us. We need only note peoples like the North American Indians when the white men came, or the Kirgiz herders at about the same time, to assure ourselves of this. The landscapes were comparatively little changed from their primeval state, and supported extremely sparse populations as measured by modern European standards.

Man was long in realizing that his ability to plan in terms

of time and space is the real key to world conquest. He has gradually set limits to problems and concentrated his puny strength at strategic points. The time spent in preparing a pointed or edged weapon enables him to apply the force of his hand and arm to a space so narrow that flesh cannot resist it. Within the borders of a ten-acre field during a given year man cuts down, uproots and turns under all the "weeds" or enemies of wheat. Then he gives the wheat an advantage by getting the seeds in the ground artificially, so that they spring up and appropriate the sunshine and fertility, choking out their rivals. The next year it is easier. The natural fecundity of wheat has been guided into a channel where it works for man even while he is absent or asleep.

If he kills wolves only as they attack his sheep, he must continue to work against the fertility of the wolf tribe, which is no more than its other enemies may do. But man concentrates his energy for a *time* within a given *space*, exterminates the wolves and transforms the territory so that it is an unfavorable habitat for wolves. By looking ahead in time and concentrating effort in space, he has economized energy.

Routine physical labor becomes irksome. Man has used his head in order to avoid using his hands, as well as to increase the amount of goods for which he has an insatiable craving. Moreover, he definitely wants power — something at the center of his being seems to demand it. As soon as plant cultivation had been learned, it became possible to organize man-power in a new way. The captive was dangerous if supplied with hunting weapons, and could escape if sent out collecting things in their wild state. With only a hoe in his hands, he was relatively defenseless before the sharp weapons and discipline of his captors, and could thus be made useful without becoming dangerous. Then, too, hoe-culture is more settled and intensive than either hunting or herding — the captive had less chance to escape. Plant cultivation made a more intricate social discipline possible, and the directive power of one brain was enabled to lay out indefinitely more work than one pair of hands could accom-

plish. Larger and more elaborate social and economic organizations appeared.

While not denying the great importance of such devices as the spindle, loom, and boat, it is probably safe to hold that the most significant of the tools used by man has been the plow. The great, fairly stable empires of antiquity could hardly have appeared without the development of writing and the invention of the plow. It is safe to say that more change has been wrought in the world by man during the past six thousand years or so than in the whole incredibly vast period before writing and plowing. This is not due to any personal superiority of ours over the people in ages gone, but rather to our advantage in having their long experience to build on.

The plow is the symbol of a new and epoch-making idea in human history: the wide employment of non-human power. With the possible exceptions of fire and speech, its use marks the most momentous achievement of man down to the age of the machine. In itself it was simple enough—a lazy yet ambitious man's hoe, slightly altered so he could hitch a cow to it. Looking back now, however, we see an easily constructed, power-driven weapon which has captured a large fraction of the earth for man's plant allies and wrought devastation among their enemies. It made possible the support of tens of millions of additional human beings, together with the indispensable beasts for draft and food. Back in the dawn of written history or before, somewhere in the eastern Mediterranean region, it must have practically invented itself among people who already used hoes and had domesticated animals suitable for power. Its use marks the transition from primitive husbandry to agriculture proper. On the basis of this increased power, great civilizations arose in Babylonia and Egypt.

PRIMITIVE INVENTIONS

The point and edge for the weapon and tool are found in nature. It was only a step from picking up stones, already

more or less adapted for tools, to artificially shaping an edge or point with other stones. Finally, using fire to help in chipping, comparatively fine tools and weapons were produced. Fire also exists in nature. The peoples we are concerned with in this book produced it artificially by friction devices as far back as we can trace them.

The earliest clothing probably consisted of skins, methods of treating which were discovered very early. Those of small animals can be satisfactorily cured merely by chewing. Larger skins were scraped and dried, then softened by rubbing in grease, by wetting and twisting, or by various other means, some of them elaborate. Tanning with bark is a very ancient process in the Old World. Rawhide making is very simple in a hot, dry climate, the leather being stripped green and dried. Bone needles which have been found in prehistoric remains testify to the age of stitching. Nature supplied the thread in the form of animal cords and tendons.

Mat and basketry weaving were learned early, and very likely suggested the weaving of cloth. Walls of tropical houses are, even to-day, often composed of mats, or are woven of branches and switches. Grass served, as it still does in many places, for roofing material. In the colder regions, men dwelt in caves, or used skins to shut out the chill air. The art of plastering over a wall woven of branches is also primitive, but such wattled houses still exist in many parts of the world where timber is scarce. The prehistoric lake dwellings of Switzerland were frame structures. Where soft stone was available, it was used for building in very early times. The use of adobe and brick construction was also worked out by early men.

Most primitive peoples apparently discovered adhesives — glues and cements of various sorts. Vines are ropes ready-made, and twisting small ones together for greater strength and pliability was a process which almost invented itself, given the necessary time.

The domestication of animals and plants has been discussed in another connection. It might be added that wild

animals were very likely first tamed in a spirit of play or for company. Some were later used for hunting, while others were merely meat preserved on the hoof, which led to systematic breeding and herding proper. Pack animals appeared early — long before they were more thoroughly trained and hitched to the plow and cart. Emmer and wheat grow wild in the Near East, and were doubtless collected for food long before they were cultivated. Very likely grains were carelessly dropped around human dwellings, grew, and were found so convenient that their enemies were uprooted and seeding done deliberately.

The origins of pottery are lost in obscurity, but there is much to indicate that the sun-dried clay vessel was in use before the art of firing was discovered, possibly through the accident of one of the more primitive pots falling into the fire. Originally being formed by hand and rotated for greater symmetry and ease of construction, the process evolved various forms of the potter's wheel. The idea of the wheel and of mechanical, circular motion lies at the foundation of all modern industry. It was early applied to the spindle for spinning. The most primitive form of spinning seems to have been to rub or roll the fibers, much as a harness mender is sometimes seen to roll his wax-end by sliding his hand along his leg, with the thread between. A weight was required to prevent snarls, and this weight, turning with the thread, finally developed into the spindle. This, together with the distaff, was the device used for spinning up to about two centuries ago, and is still common in the so-called "backward" countries.

Cloth-weaving was only an obvious step removed from the grass mat, which, in turn, was an adaptation of the woven basket and the still cruder wall of interwoven uprights and switches used by savages to shut out wind, sun, or prying eyes. Switches or grass were replaced by wool or vegetable fibers, and cloth appeared. There is astonishingly little difference between the primitive loom and that in use two or three hundred years ago. The lengthwise or warp threads

were stretched between two parallel bars, one sometimes hanging below the other to give tension to the warp and prevent snarling. Every other warp thread (or every third one, etc., depending upon the pattern) would be pulled back to permit of drawing through the cross threads or woof. Very artistic designs were sometimes worked out.

Since boats were the standard means of long-distance transportation down to very recent times, it is interesting to note that they were rather highly developed too long ago to leave any reliable record of how they were first built. Rafts, made of logs or inflated animal skins, in all probability, preceded the building of frame boats and canoes. Such transportation may mean merely war, but in many cases it signified a considerable exchange of goods. Trade between primitive groups is, of course, fundamentally "foreign" in character. It could not take place unless each party specialized to some extent in manufacturing things for which its resources and skill specially fitted it.

The existence of early trade, with some group interdependence, raises the question of how such exchanges were carried out. The disadvantages of barter — the problem of getting dissimilar goods into the terms of each other — have been overcome as far back as we have any record by using certain standards, generally desired commodities (such as shells, beads, grain or cattle), as "money." Money is a sort of common denominator for goods. It is both a currency or medium of exchange, and a measure of value, standardizing and simplifying barter even where no actual money changes hands. Early man did not usually make it of metals, which were wanting, but used less desirable commodities which lacked the uniformity, divisibility, ease of recognition, steady but limited conditions of supply, etc., which make for an ideal monetary material.

The origins of metal-working are lost in antiquity. We know from excavations of tombs in Egypt that copper was mined and smelted more than four thousand years B.C. Bronze became a serious factor in industry not long after the

time, roughly six thousand years ago, we have chosen as the end of man's long primitive or apprenticeship period and the beginning of civilized society. Its wide use is a factor in progress worthy of placing alongside writing and plowing. Just why bronze predominated for more than a thousand years after both it and iron were known was not quite clear for a long time — its production involves a relatively more complicated process. There is iron ore in Nubia, to the south, but the early Egyptians apparently did not know it. They had some iron long before the smelting of ores was understood, but the supply which does not require such separation is nowhere very large. Ægean archæologists are now convinced that the bronze age, as distinguished from the copper, really began in the Ægean and eastern Mediterranean region and spread from this area, and the first bronze products may have been made from ore in which copper and a bronze-producing alloy was naturally present. Whatever the reason, tin or other alloys were mixed with copper to fabricate bronze implements and weapons many centuries before iron-smelting on a large scale appeared among the Hittites of Asia Minor about the thirteenth century B.C.

PROPERTY AND THE DIVISION OF LABOR

Kinship usually plays a much larger part in the life of primitive groups than it does with us. There often exists between the primitive family and the tribe a group known as the "sib." (The more familiar word "clan" is a rough equivalent.) Its kinship bonds are usually traced through either mother or father to the exclusion of the other. Even in groups which we can observe to-day in which name, inheritance and sib allegiance descend in the female line, the social status of women is often inferior to that of man. While it is never safe to assume that a condition obtaining among people still primitive applies to our own forbears in some remote period, anthropologists have generally abandoned the idea, once common, that the mother-sib inheritance (that is, in the female line) mentioned above is a vestige of a general

"stage" of social development in which women *ruled* society to the exclusion of men.

Some division of labor between the sexes always exists, but there is a conspicuous lack of uniformity among different groups in respect of this practice. There must be some compensation for the fact that the burden of reproduction falls almost entirely upon woman, and that among primitive peoples, with a high death rate, this burden is heavy. To her fall the activities which will least interfere with the bearing and nursing of children, or will be least obstructed by those functions. Just which further activities are assigned to women depends upon so many factors—such as the prominence of war, hunting, herding, trade, industry, or agriculture—that actual conditions defy the laying down of any general rules. Many other things besides economic life have entered into the division of labor between men and women, such as local beliefs, circumstances, tradition and history. In the cases where monotonous and menial tasks are assigned to women, it is desirable to clear up the misapprehension that this was unfair to them or a sign of degradation and inferiority. The idea of the ceremonial uselessness of women is not primitive, however. It appears in groups with enough surplus to enable men to display their wealth by possessing many women, or by maintaining such as they have in conspicuous luxury. The uncertainties of primitive life, and the necessity of keeping the men free and alert for fighting with man and beast, often justified such a division of labor, and even served to balance any feminine disabilities. If man's lot was less laborious than that of woman, it was also less secure.

Communism as a legal institution has often been read into primitive societies in cases where a closer study would have shown the joint ownership to be that of a kinship group. Suppose that the inhabitants of a village coincide exactly with a sib or clan of blood relations, jointly owning the arable and other lands. That particular village might seem communistic to the mind steeped in our legal notions, though the

real binding force is in fact blood relationship. Lowie¹ gives numerous examples to prove that something akin to private property is nearly always present, even in the groups which seem most communistic. Clothing, ornaments, tools, and weapons are particularly likely to belong to individuals or families. In some primitive communities every valuable tree has a private owner. Magical and religious, as well as economic elements enter into primitive ideas of ownership.

When we turn to land or immovable property, we find hunting grounds held by sibs and tribes, but in some of these cases such preserves are subdivided among families. In general, where land is scarce it is much more likely to be privately owned than where it is plentiful. For example, the Kirgiz peoples have private property in the scarce lands used for winter quarters, but not in the plentiful summer grazing lands. Even a piece of property invariably possessed and inherited *within* a single sib is not necessarily owned by the sib as such, but may belong to individual members — as among the Hopi Indians. The same tribe which has joint ownership of land often has an elaborate system of personal property in other types of holdings. In a word, institutions and relations founded on kinship are often mistaken for communism, and genuine communism among primitive people seems usually to be merely the mark of undeveloped property institutions and ideas. Flinders Petrie² suggests that “Trespassers will be prosecuted” is the most ancient of formulas, and that “the first condition for a hunting life is the reservation of rights over an area by the tribe, excluding other tribes.” Even wild animals have their definite hunting grounds which they defend against all comers. According to this author, it is to protect such rights that tribes are organized.

We may now in a paragraph briefly summarize the contributions to economic history which may be traced to primitive society, or the stage of human development prior to that

¹ *Primitive Society*, 208-10.

² *Social Life in Ancient Egypt*, 2-3.

period of history concerning which we have written records. The art of making fire, with all of its attendant results and powers, had been devised. Man had come to live in fixed abodes — caves, pile-dwellings in water and on land, and wattle-huts. He had devised those tools which were his chief aids in exploiting nature down to the mechanical era — the spindle and distaff, the loom, the crude tools of the primitive stone-chipper and the smith, the hoe, and in some cases, the plow, and various weapons to protect himself against man and beast. Most of the common domestic animals now known had already been rendered subservient to man, and agricultural operations on a fairly well-developed scale had appeared. The extractive industries had emerged in the form of the mining of flint, and copper and tin ore. The exchange of commodities had reached such a scale as to comprehend commercial relations between peoples separated by hundreds of miles. Private property was well defined, laws covering public and private affairs were an operative reality, even if they were customary and unwritten, and the foundations of public control through the State were well laid. Art, symbolic and realistic, had developed. Language must have been well advanced in order to maintain the complicated economic, social, and religious relations and systems which we know to have existed, even if actual writing had not yet been devised. In short, all the foundations of material culture and economic processes were in existence, and not until the Industrial Revolution of the eighteenth and nineteenth centuries were there as notable contributions to material culture and the economic institutions developing therefrom as those which primitive man had slowly and painfully fashioned during a hundred thousand years or more of effort through a trial-and-error technique. It is well to note also that this “primitive” society was already strikingly “modern” in a thousand intangible ways — for example, in its conceptions of group economic interests, its stern requirement of loyalty of members, and its instant alarm when venturesome individuals proposed sweeping or sudden changes.

METAL MONEY AND CIVILIZATION

Agriculture enabled the early inhabitants of Egypt and Mesopotamia to pass beyond the loose tribal organization and develop a sort of city-state. Grain is a generally exchangeable commodity. Capital in this form can be moved for a number of miles and centrally stored, even under primitive conditions. The early (nome) capitals of the Nile Delta and of Mesopotamia were about twenty miles apart on an average, which would necessitate a haul of about ten miles to each. "In this period," states Flinders Petrie, "the storage of corn was the only form of capital which could be used to pay for united action, and purposes which were beyond the powers of a village." A wider rule could not be established until metals "became common enough to be accumulated and used to pay for labour." Grain was too bulky, heavy and liable to wastage, to be sent long distances for taxes or other payments.

When Egypt was united, a little over five thousand years ago, it was on the basis of abundant copper for payments. For three thousand years, or down to the time of Alexander the Great, values continued to be expressed in terms of copper, though silver and gold were common by about 1500 B.C. Silver and gold coins did not come into general use until about 700 B.C., and the Romans actually had a bronze currency some four centuries later than this. In Egypt and Babylon, the copper used in exchanging products was made up into rings of convenient size. Weighing it must have been something of a handicap to business transactions, and it is not sufficiently portable for an ideal money metal. The concentration of power which coinage of precious metals makes possible was not completely realized until the time of Alexander the Great, in the fourth century B.C.

ECONOMIC LIFE IN THE EASTERN MEDITERRANEAN
ABOUT 2000 B.C.

"Civilized" is rather a vague word which has been used here to designate groups of people organized into some kind

of states; familiar with writing, domesticated animals and plants, metal-working, and exchanges of goods on the basis of metal. Plowing was associated with these in the eastern Mediterranean region, but under some conditions highly organized civilizations have grown up without the plow — for example, among the Incas of Peru. Civilization, as thus rudely defined, had existed some fifteen hundred years in Egypt and the Tigris-Euphrates Valley at the date chosen above for a swift backward look.

A group of Minoan or Cretan peoples about the Ægean Sea — thus touching Europe on one side — had been civilized nearly as long. These early Ægean folk were partially destroyed, some of the remnant driven out, and fragments doubtless incorporated, by the Danubian Greeks who came into the region as barbarians after about 2000 B.C. and made themselves supreme during the following seven or eight hundred years. Hence we know comparatively little about the northern point of what might be called the civilized triangle of these early times (Egypt-Babylon-the Ægean). The Egyptians, Babylonians, and Minoans traded with one another and copied each other's wares, but remained distinctive in some respects, due, for one thing, to geographical differences. Some centuries of comparative barbarism followed the replacement of Minoans by Greeks. It is probable that the invasions "made an almost complete end of the Mycenaean culture," and that later "fresh seeds of culture were imported by the Greeks from their Asiatic neighbors."¹ Western Europe lagged far behind the Near East, the influence of civilized economic life slowly exerting itself north-westward. The organization of European commerce and industry on the basis of leadership from the southeast was to continue until at least the thirteenth century A.D. Even the Roman Empire was no exception, its business organization

¹ Gardner, Percy: *A History of Ancient Coinage*, p. 27. He refers to Poulsen, *Frühgriechische Kunst*. Some other scholars, such as Arthur Evans, would attribute more importance to the direct influence of Minoan civilization on the Greeks. From the standpoint of western European economic history, the question is of little significance.

and leaders and many of its finest wares being drawn from the Near East.

By 2000 B.C., most of the basic inventions, discussed in a previous section, had been familiar for many centuries. The Egyptians had been writing a highly developed language upon a sort of paper (papyrus) with ink for well over a thousand years. The practical mathematics of counting and measuring were understood — for example, a calendar practically as accurate as ours had been in use since 4241 B.C. Domesticated grains and animals were even older, and the plow almost as old. Irrigation was practiced in both Egypt and Mesopotamia on a scale involving a high type of social organization.

Egyptian economic life rested on the fertility of the Nile Valley, and was largely determined by the phases of the river itself, with its yearly inundation. With the exception of the Delta at the Mediterranean, this valley is a mere ribbon of land, about seven hundred and fifty miles long and nowhere more than ten miles wide. There were three seasons in the Egyptian year: (1) *Growing* — which began with sowing in November, after the inundation had receded; (2) *House* — from the harvest, in our spring, to the beginning of the inundation, about the first of July; (3) *Inundation* — roughly from July to November.

Irrigation was carried on in September and October, to spread the Nile water over lands which would not otherwise be reached. Where the water could not be led to the land by gravity, it was raised by sweeps similar to many still in use in American wells in out-of-the-way places. A swinging pole was weighted on the short end to balance the bucket attached to the long end. Another device where the water was raised only a few feet was a flat bucket with a rope attached to each side. It was swung rhythmically by two men — one on each side of the ditch from which the water was taken — and turned over into the ditch above upon striking the edge of the dividing wall.

Seeding was done by hand, and cultivating by hoe and

plow. The sickles for reaping were mainly of wood, set with thin flakes of flint for teeth, which made a durable and effective cutting edge. In addition to wheat, emmer, and barley, many legumes and vegetables were produced. Among these were peas, beans, lentils, onions, leeks, garlic, cucumbers, melons, lettuce, radishes, and sesame. Besides the olive, which grew only in certain parts of Egypt, oil was taken from coleseed, linseed, and castor-berries. Flax was cultivated for linen-weaving as well as for linseed oil. Horses were not introduced until after 2000 B.C., and were never common, being used chiefly for military purposes and royal processions. The Egyptians used two varieties of oxen, the buffalo, the ass, the camel, the antelope, the reindeer, the ibex, and the sheep. Most of these had appeared by about 3500 B.C., and were greatly improved by 2000 B.C. For example, reliefs of that period show hornless cattle. Cranes and geese were raised, artificial incubators being employed. Fish were kept in ponds, both for food and to keep down mosquitoes. The dog and cat had been domesticated.

After harvest, threshing was done on floors with flails or by using stock to tramp out the grain, much as in the more backward countries to-day. There followed the "house" season of drought and terrific heat, when little could be done. Sometimes the soil developed cracks fifteen feet deep.

Besides watching the dykes to prevent damage to the fields, feeding the stock, and, later, some irrigation, the inundation season was used by the kings and great nobles for building the palaces, pyramid tombs, and other great public works which still claim our admiration. The high water made it possible to float the materials about, and there was plenty of labor to spare in this slack season. These enterprises carried on by large, highly organized groups must have had profound social effects, leading to increased size and cohesion of groups. Military expeditions at these times, when many people could be spared from agriculture, also added social integration as well as territory and booty.

Engineering works such as the pyramids, obelisks, colossi,

temples, palaces, and stone-dressed roads reached **amazing** size and perfection. The great Khufu (or Cheops) pyramid, erected nearly five thousand years ago (in the twenty-ninth century B.C.) was until recently the largest architectural work ever reared by man. From a base over an eighth of a mile square, it rises to a height just short of five hundred feet. Though the unevenness of the ground made it impossible to sight from one corner to another, the largest error in any side is less than one fourteen-thousandth of its length. This means watch-making precision in a colossal structure.

Over two million blocks of limestone were used, weighing on an average about two and a half tons, though some were as heavy as fifty tons or more. These great stones were quarried on the opposite side of the river and ferried across. Much larger ones are found in obelisks and in such works as the Colossi at Thebes. They were apparently blocked out with dolerite sledges and finished with finer tools of bronze or stone, lines and facing plates being used to get straight edges and flat surfaces. Jeweled saws and drills were employed, and the Egyptians even had a tube-drill for use with a grinding compound, on the principle that we have rediscovered in recent times. Rollers and levers, and even crude devices on the principle of the pulley-block, aided in moving the stone blocks. Easy slopes up to the pyramids were provided by building ramps or ways of brick, to be torn away after the structures were completed. The largest of the pyramids is supposed to have used a force of a hundred thousand workmen. Obelisks were ingeniously placed by building a long, sloping runway up to the base. The stone was drawn up this ramp butt first, until it was balanced above the foundation provided, half of it thrust out into the air, when it was simply tilted down into position.

The craft products of the Egyptians, to be seen in the larger museums, show artistic design and finished workmanship to a degree never excelled. Some of the royal linen is so fine that a microscope is required to distinguish it from silk. They dyed with many colors, mixed pigments to get exact

shades, and understood fixing with alum. There are fine specimens of autogenous gold soldering over five thousand years old. Copper wire and chains were made. The metal-work represented some of the finest craftsmanship of ancient Egypt. Petrie mentions a porphyry vase two feet in diameter, worked down to a thickness of a quarter of an inch. Pieces of furniture are graceful, light and well-braced. Wood was "trained" for a dozen years or more to form solid angle-pieces. The glazing and glass-work was exceptionally fine, though the art may not have been developed in Egypt, but imported from Syria. High competence was shown in leather-work. Egyptian papyrus was the original paper, and was so universally known that it very likely furnished the idea for the cheaper but inferior Chinese sort made from pulp, which came to Europe through the Arabs in mediæval times. The craftsmen were for the most part drawn from the free middle class, though in some cases slaves were taught the leading trades. The craftsmen worked on the estates of great nobles, in state and temple workshops, and independently in their own workshops. In the period before 2000 B.C. they usually sold their products directly to consumers, but there later developed a distinct merchant class which was well differentiated by the imperial period (1600 B.C.).

By 2000 B.C., the Egyptians had been carrying on a considerable foreign trade, for example with Crete, and also exploiting the copper mines of the Sinai Peninsula, across the Red Sea, for some fifteen hundred years. The three great divisions of this foreign trade were, in order, Nubia to the south, the Red Sea and Punt to the east, and the Mediterranean region, including Syria, to the north. Prehistoric vase paintings portray ships about a hundred feet long, and by 2000 B.C., vessels larger than those of Columbus were being built. A Suez canal, constructed about this time, followed a chain of lakes inland from the Red Sea and swung westward to one of the Nile mouths, which emptied into the Mediterranean. The site of Alexandria is supposed to have been a great port in early times, but it later decayed for some

reason — possibly it was too exposed to attack after the rise of other Mediterranean sea powers. Alexander the Great revived it, and it has remained a first-rate trade center ever since. The chief articles of import in Egyptian commerce were the tapestry and cloth from Syria, weapons, and chased vessels from Phoenicia, decorated vessels and damascened bronzes from the Ægean area, silver from Thrace, Asia Minor, and Spain, spices, cosmetics, and aromatic woods from the East, and gold and ostrich feathers from the South. The chief exports were wheat, scarabs, glazed and gold ware, and some linen cloth. Commerce was well protected by a large fleet which policed the Mediterranean, and by soldiers who guarded land trade routes far better than in the middle ages in Europe. Likewise, trade was thoroughly regulated by the State. Custom-houses were maintained at harbors and places of entry, and duties levied on all goods except those consigned to the Crown. The revenue thus produced was one of the more important sources of income to the imperial treasury.

While it is the stone structures which have survived, the Egyptians from the earliest times also built with brick and wood. Like the Greeks later, they preferred the colonnade construction to the arch, which they knew, however. There is at least one example dating from the thirtieth century B.C. Building stone was less plentiful in the Tigris-Euphrates country, with the result that structures were commonly made of brick and smaller than in Egypt. With this material, the arch is more practical, and was generally employed.

On the social side, Egyptian economic organization was so foreign to ours, in theory and practice, that any detailed discussion of it would raise too many controversies to be of much profit. At the heart of it lay the theory that the divine-right ruler was the lord or proprietor of the whole country. That is, all Egypt was his "farm," and all its people owed him any services which he might require, as the personification of the State. Within this limitation there were the great landed nobility and the priests; middle-class scribes,

soldiers, administrative officials, merchants, and technically "free" craftsmen; and also serfs, and slaves or workmen treated as actual property. The most numerous class was the agricultural serfs. Probably the most suggestive expression for the status of the bulk of the agricultural population would be "serfs of the State." The great manorial estates were the central feature of Egyptian socio-economic life. We shall have to deal with this system further on, as taken over and slightly modified by the Ptolemies (after the conquest by Alexander the Great) and later by the Romans, the course of whose imperial development was greatly influenced by it. Egypt stretched too narrowly far inland, and her economic life was too much stereotyped along agricultural lines by the seasonal rhythm of the Nile phases, to develop so intricate a commercial and industrial organization as that of Babylonia.

A very elaborate economic order is revealed by the Babylonian Code of Hammurabi, of the twenty-first century B.C. Property relations were carefully defined and regulated. No purchase could be made without witnesses or formal contract — the prescribed contract forms being quite similar to those current to-day. There were regulations concerning wages, the cost of houses, the rents to be charged for many kinds of property, such as boats, animals, tools, etc., and the rights of tenants and landlords. The importance of agriculture is reflected in the large space devoted to the boundaries of farms and to irrigation.

Concepts of property were similar to our own. There are elaborate forms for leases and deeds, rules about partnership agreements, wills and inheritance. Laws regulated the powers of principal and agent. Documents were sealed and witnessed. Promissory notes were given, interest rates being controlled by law. Besides commercial and industrial operations, many of the functions of modern banks were performed in the temples. Temple workshops employed scores of people — as many as a hundred and ninety in one recorded case. The textile and bronze industries were the most im-

portant types of manufacturing. In addition to these central shops, work was sometimes let out to individuals to be done at home, but under central control — a crude form of the “putting-out” or “domestic” system of early modern Europe. There are unmistakable evidences of an apprenticeship system in the crafts of Babylonia. Foreign trade, largely by donkey caravans, was carried on overland, notably with Syria and Egypt. The chief exports were woolen cloth, hides, grain, and bronze ware; the leading imports were cedar and metal ware from Phœnicia and Syria, and glazed ware and linen cloth from Egypt. As usual it was the export industries which tended to grow largest and most complicated as to organization, and to require the most expert financial direction. Woolen textiles formed the most important products of industry.

The economic life of the Tigris-Euphrates region tended to be less stereotyped by the seasonal phases of the rivers than was the case in Egypt. More sudden and erratic rises placed great emphasis on dams, irrigation and drainage. Babylon was less isolated geographically than Egypt, which affected both trade relations and military organization. Greater variety of raw materials and markets within reach threw more stress upon commerce, and necessitated a more intricate financial system. Assyria, later of great importance as an assimilator and disseminator of culture, and as an imperial organizer, was chiefly an agricultural state at this time, and of little importance in industry or commerce.

Within the rough civilized triangle with Egypt, Babylon, and the early Ægean peoples at its points lay Asia Minor, Syria, Phœnicia, and Palestine. Whatever economic relations existed with the groups in this intermediate region about 2000 B.C. were to be profoundly affected by later migrations which, among other things, overwhelmed the early Ægean peoples, brought down the Greeks as barbarians from the north, and planted the Jews in Palestine. Man's early achievements as a civilized species remained firmly rooted in the two great valleys — the Nile and the Tigris-Euphrates.

The notable contributions of the ancient Orient to later civilization have been admirably summarized by Professor Breasted:¹

When he [modern man] rises in the morning and clothes his body in *textile garments*, when he sits down to the breakfast table spread with spotless *linen*, set with vessels of *glazed pottery* and with drinking goblets of *glass*, when he puts forth his hand to any implement of *metal* on that table except aluminum, when he eats his morning *roll* or *cereal* and drinks his glass of *milk*, or perhaps eats his morning chop cut from the flesh of a *domesticated animal*, when he rolls downtown in a vehicle supported on *wheels*, when he enters his office building through a porticus supported on *columns*, when he sits down at his desk, spreads out a sheet of *paper*, grasps his *pen*, dips it in *ink*, puts a *date* at the head of the sheet, writes a *check* or a *promissory note*, or dictates a *lease* or a *contract* to his secretary, when he looks at his watch with the *sixty-fold division* of the circle on its face, in all these and in an infinite number of other common-places of life — things without which modern life could not go on for a single hour, the average man of to-day is using items of an inheritance which began to pass across the eastern Mediterranean from the Orient when Europe was discovered by civilization five thousand years ago.

THE SPREAD OF CIVILIZATION INTO EUROPE

During the two thousand years preceding the opening of the Christian era, this higher type of social order spread northward and westward, establishing itself firmly in the entire Mediterranean region, western as well as eastern. This meant the inclusion of the entire Balkan Peninsula, Italy, Spain, and the southern fringe of the European mainland, connecting the three. Though Gaul and Britain were invaded before the opening of our era, only the southern part of Gaul, along the Mediterranean, had as yet been organized to any great extent.

These two millenniums were greatly to develop civilized economic life, as well as to give it a firm foothold on a new continent. It may be well to mention some of these changes

¹ "The New Past," *The University Record*, Chicago, 1920, vol. vi, p. 245.

before taking them up in detail. First, there was a great expansion westward of the area reached by Near-Eastern commerce. This was accompanied by colonization, especially that of Phœnicians and Greeks. The Etruscans also did a great deal toward transmitting Oriental civilization to Italy. The Greeks were newcomers in the eastern Mediterranean. They were more like the Europeans to the north and west of them than were any of the other colonizers or traders in the Mediterranean. In a sense, they Europeanized civilization, making it more comprehensible and palatable to the western peoples. During the last third of this two-thousand-year period, the use of coined money became general, with effects upon economic life and imperial administration difficult to overestimate. Finally, the type of state organization and accompanying fiscal system so familiar to us in the Roman Empire went through its experimental stages under the Assyrians and Persians, and reached its maturity in the states following Alexander's conquests. From these it was borrowed by the Romans at the end of the period.

TRADE EXPANSION AND COLONIZATION

Egyptian commerce enjoyed a sort of golden age about the fifteenth century B.C. This was linked up with a period of great prosperity in the Ægean, where it proved to be a veritable swan-song of Minoan civilization. Its territories were in complete possession of the rude Greek invaders by about 1200 B.C. The Minoan break-up, and the eclipse of the empire in Egypt about the same time, left Phœnicia the great colonizing and commercial power — the Greeks being practically barbarians for some centuries.

Phœnicia was a narrow strip of coast, geographically a unit with the Syrian hinterland and Palestine. The Phœnicians were related to the Arameans or early Syrians, and also to the Hebrews, who arrived in the region somewhat later. All of these, and also the Hittites of Asia Minor, were greatly influenced by Egypt, which dominated them for long periods. Sidon and Tyre were the most important of the Phœnician

towns. Byblus, which exported papyrus to the Greeks, supplied the Greek word *biblos* for this paper (hence for roll or "book"). Thus our English words "Bible" and "bibliography" are derived from a Phœnician place name, which got attached to a product through commerce in it.

The seaports of this coast were well situated for trade with Egypt, Asia Minor, and Europe. They also carried on a considerable commerce with the Tigris-Euphrates Valley, largely through the Arameans or Syrians, who were the great traders and civilizing agency in western Asia from 2500 to 500 B.C. Phœnician ships sailed into the Black Sea to get Baltic amber, which was carried down the rivers of what is now Russia, and also for iron from the Hittite mines in what is now Armenia. The Hittites of Asia Minor had begun smelting iron about 1300 B.C. The Phœnicians mined silver and some iron in Spain, and brought in cargoes of British tin — possibly obtained in trade from the Celts of Gaul instead of by sailing direct to Britain, as was formerly supposed. Purple dye from the shellfish *murex* was a leading industrial product. Metal goods, cloth and glassware were also manufactured. As to extractive industries, their agricultural resources were slender, but the famous cedar timber of Lebanon was greatly prized by the Egyptians, Babylonians, Jews, and others.

Besides their industries and their far-flung commerce, the Phœnicians performed a great work in the civilizing of Europe by colonization. There were probably many of their colonies in the Ægean by 1500 B.C., while they were still under Egyptian rule. Independence was gained some two hundred years later, when the Hittites were at the height of their power and Phœnicia had the perilous advantage of lying between them and the Egyptians. Phœnician settlements were made in Malta, Sicily, Sardinia, and as far west as Gades (Cadiz) in Spain, on the Atlantic coast beyond the Straits of Gibraltar. Carthage was the greatest of all. She was destined to outlive the mother cities and to dot the western Mediterranean region with her own colonies.

By about 1000 B.C., the Etruscans had settled in Italy, north of the later site of Rome. They brought the civilization of the near Orient with them, and traded extensively with this highly commercialized region. Their exact origin is uncertain, but it is thought probable that they came from somewhere in Asia Minor, where new invasions had been taking place. The Hittite Empire had disintegrated. Greeks were appropriating the Asiatic coast of the Ægean, and the Lydian State was probably already forming. As the Greeks became civilized, the commercial and colonial expansion westward and northward gradually fell into their hands. The fact that they were themselves aliens to this oriental culture, and never completely submitted to it, makes it necessary to deal with their activities as a new phase. This does not mean that there was a sudden or visible change in the nature of the expansion — at first, their activities were a minor factor in the situation.

THE RISE OF THE GREEK CITY-STATES

The first Greeks in the Ægean region appear to have arrived about 2000 B.C. Within seven or eight centuries, they had succeeded in displacing the Minoan-Cretan groups and had come into contact with the Phœnician, who had been trading and colonizing along these northern shores for some time. If there were no other evidence, a gradual decay of Minoan civilization would be apparent from these Greek and Phœnician encroachments.

It is impossible to fix even an approximate date at which the rise of the Greeks ceased to be a barbarian invasion and became the expansion of a civilized people. They were in scattered groups, doubtless partially due to their earlier institutions, but also in part to the nature of the Ægean and Balkan region, which is minutely divided into islands, peninsulas, and valleys by its mountain ranges and bodies of water. Even after their triumph over their Minoan predecessors, they remain for us an obscure factor in the general history of the Near East for centuries. The Phœnicians

taught them to write about 900 B.C., but writing was little more than an aid to commerce for a long time afterward. With the Hittite smelters next door, the Greeks had known the use of iron even in Homeric times. By the eighth century B.C., Greek ships were being built on the Phœnician model. Coined money came into use not long afterward. The use of precious metals by weight in business transactions had already been borrowed from inner Asia Minor, the Babylonian *mina* or pound being the unit.

Coinage is commonly supposed to have been introduced from Lydia, though some authorities think it originated with the Greeks of Asia Minor. The advantage of the coin was that it did not have to be weighed, being stamped to indicate that the Government guaranteed its value. Gold, silver, and electrum (natural alloy of the first two) were used, with a ratio between gold and silver of thirteen and a third to one in Asia — slightly higher in Greece and lower in Egypt. Electrum was apparently thought to be a separate metal, reckoned in Asia as worth ten times as much as silver and three fourths as much as gold. Sometimes the actual proportion of metals in coins which have been dug up was far from three to one. This would in no way affect the usefulness of electrum for coinage, of course, as long as its composition was not known and it was not alloyed artificially. In Italy, Sparta, and some other backward regions, bronze and iron remained the standards of value for centuries after 700 B.C.

While government coinage systems were certainly a boon to trade, their immediate effects must not be over-dramatized. Gold and silver rings of fixed weight had been in use in Egypt and Asia for centuries before the earliest Lydian coins we know of. Being everywhere rounded, as Gardner remarks,¹ it was almost impossible to "sweat" these rings, so they practically served the purpose of gold coins. There is a reference in Genesis to a gold ring weighing half a shekel, given by Abraham's servant to Rebekah. The shekel was a

¹ *History of Ancient Coinage*, p. 22.

Babylonian weight, one sixtieth of their *mina* or pound. Phœnicia used a silver shekel. It was the gold shekel which the Homeric Greeks appear to have equated with their primitive measure of value, the ox. The Athenian *drachma* was the hundredth part of a *mina* of silver — roughly equivalent to the modern franc, lira, krone or drachma. The word originally meant “a handful” — that is, a handful of the little iron or copper pieces used by the common people. Gardner states that “it was the Æginetans, the peddlers of Greece, who first struck money in Europe,” the invention being taken up by great commercial cities like Tyre and Sidon in Phœnicia much later. Contrary to a belief expressed by Aristotle and still widely current, coinage was far more necessary to the small dealer or peddler than to the great merchant or shipper, who exchanged large quantities of goods at a time.

Although the Greeks are most familiar to us as a European people, the earliest of their cities to achieve commercial importance appears to have been Miletus, on the Asiatic side. Other very early Greek towns along this coast were Smyrna, Colophon, and Phœcea. Only a fringe of Asia Minor was held by the Greeks, the strong kingdom of Lydia, and later the great Persian Empire (about 530–330 B.C.), blocking the way inland.

It was as an Ægean commercial people that the Greeks first became a prominent factor in Near-Eastern life. When increasing population which their small islands and valleys could not accommodate forced them to colonize, they pushed northward or westward along the line of least resistance. The fact that they were not able to expand eastward into Asia until Alexander the Great had broken the Persian power was highly significant for European history. The geographical situation of these early Ægean Greeks was most fortunate. On the threshold of the Orient, they were in immediate contact with the oldest and most prosperous civilizations, but their free island homes made them secure from marauding nomads and armies, as well as from the paralyzing influence of oriental political despotism.

Miletus was a great seaport as early as 700 B.C. It founded scores of colonies on the shores of the Black Sea alone. The planting of a Corinthian colony at Syracuse, in Sicily, in the eighth century B.C., was a great early landmark in the Greek phase of westward expansion. Syracuse was to become a great power, defeating the Etruscans and narrowly missing the dominion of the western Mediterranean. Settlements of Greeks, as well as Phœnicians, Carthaginians, and Etruscans, were so scattered over the West that the Romans scarcely needed to originate anything, having a legion of schoolmasters at their very door. Rhodes should be mentioned as a trader and colonizer which remained important right through Roman times and beyond.

Finally, Athens is quite properly placed above older Greek communities in economic history, because of a successful contest with the Persian Empire during the fifth century B.C. Achieving a hegemony over many colonies planted by other Greek towns, and even over great mother cities such as Miletus and Ephesus, the Athenians founded a first-rate commercial empire which lasted for about a half-century. It was far more significant than its short duration would suggest. Her victory over Persia in the Ægean left Athens without a peer as a trading and naval power in those waters, and also in the Black and Mediterranean Seas. It was thus the Athenian defense which in a sense drew a line between Europe and Asia, giving the European peoples time to mature their own institutions and assume the initiative in the later fusion.

Persia continued a great power in spite of Athens, whose Greek and other enemies she subsidized, contributing in no small measure to the Athenian downfall in 404 B.C. The homeland of the Athenians was too small and too poor in economic resources for them to unite the whole Near East — and of course they made grave mistakes. They made Egypt practically useless to the Persians, who nominally held it, but were unable to conquer it for themselves. Their attempt to conquer Syracuse was a disastrous failure,

Finally, they lost their naval supremacy in a struggle with other Greeks, aided by the Persians. Athens could not support a large population without importing grain and raw materials, a situation which put her at the mercy of any naval power stronger than herself.

The want of political unity which was so large a factor in ruining the Greeks was associated with some of the very qualities which made them great economically. As mercenary soldiers, they played a great rôle in Near-Eastern imperial politics and military intrigues to the end. Psamtik won the Egyptian kingdom with their aid, settling many of them at Naucratis and Daphnai in the Delta about 664 B.C. Coming as adventurers, they remained to trade. They were ejected from Daphnai after a century, but Naucratis remained a great Greek commercial outpost. Besides dealing in grain and other Egyptian products, these shrewd foreigners learned to manufacture sham Egyptian scarabs and statuettes, which they exported northward — much as their modern descendants, together with Germans and others, have filled the Bazaar at Constantinople with imitation oriental goods. Greek mercenaries were the nucleus of the Persian army clear up to the time when Alexander of Macedon overthrew it with other Greeks. Enterprising individualists, they fought with all the armies, traded everywhere, and yet remained Greeks, clinging to their traditions and their affection for the home city. In wars, they cropped up like the modern Irish, in trade like the Jews and in colonization like the English. Their city life at home was unique.

Commerce was the only way in which the Greek city could grow great. It lacked the great agricultural foundation of eastern empires like Egypt, Babylon, Assyria, or Persia. Its commerce could be maintained only by backing it up with industry. Athens was fairly typical. With a population beyond what her natural resources could support in comfort, she was obliged to import more tons than she exported. In order to keep this up, a ton of exports must be worth more on an average than a ton of imports. There

were two main economic means of arriving at this result. One was by developing craft skill, so that Athenian workmen added greatly to the value-for-weight of materials by making them up. The other was by furnishing transportation, especially by sea, a service which was paid for in the long run in materials. We must not lose sight of one non-economic method of balancing an economy — that is, the exaction of tribute in one form or another. It was widely employed in the ancient world, and extremely dangerous in the long run, leading to ruin if the force on which it rested should fail even for a brief period.

The Greek city-state was economically strong to the extent that its prosperity rested on the recognized value of the goods and services which it furnished. By "value" is meant simply acceptability — the quality in a thing or service which makes people willing to exchange others for it. Economic stability could not be entirely separated from political and military strength, however, in a situation where such powerful enemies as Persia lurked. The larger Greek units which were actually formed — the Athenian Empire being the outstanding one — suffered from the fatal weakness that they consisted of commercial places which were rivals for the Ægean trade and resented the elevation of any one of them to superior political authority. Whether in Greek leagues or in the Persian Empire, the Greek city tended to place commercial monopoly for itself above any vague feeling about Greek solidarity. No Persian city resisted Alexander's Greek coalition more vigorously than did Greek Miletus, which saw only menace to its trading privileges.

ATHENIAN INDUSTRY

The great extractive industry, agriculture, was not favored by Greek soil conditions as in Egypt or Mesopotamia, and there was no Nile automatically to look after the maintenance of fertility. Early in their history, the Greeks had been obliged to fertilize their fields or have recourse to a fallow year — that is, letting a field lie idle to recuperate.

It was the fallow year, rather than artificial fertilization, which was generally adopted. At first, the increase in population had forced the Greeks to colonize. The colony would trade with its mother city, enabling the latter to develop industries. Once these handicrafts got well established, and a foreign trade in their products had been built up, colonization was checked. What population Greek agriculture would not support could now gain a living at home by turning out wares to be traded for necessities and raw materials. Such foreign trade itself occupied many hands, and if there was still excess of population, there were plenty of chances to hire out as mercenaries to various eastern princes or kings.

Olive oil and wine were the chief agricultural products for export. The soil of European Greece is not particularly well adapted for grain-growing. Torrential winter rains follow the long summer drought, carrying off quantities of the loose soil. Some of the slopes were used by the ancient Greeks as pasture land, especially for sheep and goats. Given a considerable commerce to make up for any grain shortage, it proved advantageous to devote much land to olive and vine culture. Labor in vineyards and olive groves is largely seasonal, and there were wanting the activities in connection with irrigation which tended to keep the Egyptian peasant employed the year round. In brief, nature in Greece did not furnish the setting for a ponderous but efficient despotism founded on agriculture, as in Egypt. Some grain was raised, of course, and also the familiar vegetables, fruits and animals for domestic consumption, in addition to the export crops.

Slave labor perhaps dominated the situation in agriculture, but it was not a particularly exacting slavery. The relatively small holdings, the need for extra free labor at harvest times, and the absence of anything like the Egyptian theory of a divinely chosen ruler's proprietorship over country and people were factors making for a certain freedom from arbitrary restraint, even on the part of those technically slaves. Moreover, because of the nature of the work, slavery

in its more brutal forms can hardly exist in societies where city life, commerce, and industry play a large part. Only in the silver mines was there any atrocious form of slavery in ancient Greece.

Greek manufacturing industry was carried on both in households and in central workshops, most of them small. Twenty workmen in a place was considered a fairly large group. Work was done almost entirely by hand. In visualizing the shops, we must think away all such appliances as motors, lathes, shafting, automatic machinery such as looms, or even simple geared machines like the modern breast-drill. Asiatic and African slaves were too easy to procure for the good of either manufacturing or agriculture. The Greek citizen, thus too easily freed from hard, dirty work, tended to be contemptuous of mechanical invention, or devoid of interest in the mechanic arts. It is questionable if any substantial advance in industrial processes and tools was made by either Greeks or Romans. Hands were all too plentiful, and there was thus no incentive to develop power machinery. Craft processes were often minutely subdivided. Xenophon mentions such a subdivision of shoemaking into cutting and sewing, and the making of men's and women's shoes, by different people. The turning, firing, and decoration of pottery were separate operations, performed by specialists.

Slaves were often skilled craftsmen working side by side with freemen for the same wages, turning out objects whose artistic merits could hardly be equaled to-day. Great sculptures like those of the Athenian "Golden Age" were wrought largely by men who were actually or practically craftsmen. A man's craft was literally his "art." A large number of craftsmen, both free and unfree, worked directly for the State on public buildings and works. There were two sides, of course, to the question of associating freemen and slaves at the same tasks. If it tended to render slavery singularly tolerable and efficient, it also blocked the growth of free craft organizations and the rise of an industrial class to the dignity and influence which it enjoys in modern states.

Slaves were constantly freed, and as freemen they often became proprietors of shops, with or without slaves of their own. The precariousness of the position of free workers in competition with slaves will be dealt with more fully later, in discussing the Roman economic order.

Since much of Athenian manufacturing activity was for custom trade, there was less than the modern need for public markets, the goods being taken by customers directly from the shops of the artisans who produced them. Such goods as were sold in the public markets were offered for sale in booths erected along certain streets. The Government rarely attempted to fix the prices of commodities, contenting itself with supervising the general conditions of sale. Obviously, such a system afforded opportunities for personal initiative far beyond the autocratic control of a Pharaoh.

COMMERCE

A swift survey of the routes and products of foreign trade is perhaps the best key to the economic life of the Greek city-state. We might divide this commerce roughly into eastern, southern, and western parts. Athens succeeded Miletus in the control of Ægean and Black Sea trade. Corinth and her colonies continued the most prominent in the western trade, shared also by the Chalcidians, whose colonies in Sicily were only less important than Corinthian Syracuse. It was Phoecea, on the Asiatic side, which colonized Massilia, the modern Marseilles. The third important route extended southward past Rhodes, Cyprus, and Phœnicia to Egypt. It was shared by various city-states, including Athens, until after the fall of the Athenian Empire. After a brief period of Persian dominance, it then fell to Rhodes. This island had long been settled, but the city of Rhodes was founded about 408 B.C. It became the most important Greek commercial city almost immediately, and so continued into Roman times.

From the mouth of the Dnieper in the Black Sea and also from the Sea of Marmora came immense quantities of salt fish, which, next to bread, was the staple article of Athenian

diet. The bread itself was largely made from Scythian grain, imported from the plain north of the Black Sea. Some cattle were also raised by the Scythians for export. Oil, bronzes, and especially wine, were exported by the Athenians to pay for these products. The Scythians were extremely fond of wine, but could not produce it in their climate. Besides these staple exports, the Scythian tombs have yielded fine specimens of Athenian pottery, jewelry, and other art goods. Large numbers of slaves were also sent to Athens from Scythia. Other imports from the Black Sea were flax, hemp, timber, tar, and charcoal. Greece lacked wood, the forests of Bithynia in Asia Minor and the Danube valley supplying the deficiency.

The southern route was important on account of the Egyptian trade, and also for the goods which came in from Arabia, the Tigris-Euphrates region, and the East Indies. These came to the Greeks, before the time of Alexander the Great, chiefly through the Phœnicians. Among the products were included carpets and rugs, precious stones, silk, ivory, frankincense, and spices. To these, the Phœnicians added their own famous purple cloth, fragrant woods, and alabaster flasks of ointment. Copper and textiles were picked up en route in Cyprus, and Cyrene furnished wool. Egypt was one of the greatest sources of grain, and practically the only one of writing paper (papyrus). A very fine linen, made from the papyrus plant, was also exported. Ivory was forwarded from inner Africa, and the porcelain industry and trade continued to thrive, as in more ancient times.

The western Mediterranean trade furnished the Greeks with grain and dairy products from Sicily, wood from southern Italy, and some silver and gold from Spain, not to mention the varied goods from Gaul, through Massilia. These were paid for by the Greeks with their typical wares — especially wine, pottery, bronzes, silver ornaments, and various manufactured trinkets. The western Mediterranean produced most of its own oil, but figs, honey, and live stock were sometimes sent out by the Greeks.

Not all was sea trade. Greek coins and ornaments have been found as far north as Prussia, and a regular trade route ran from the Sea of Azov northeastward to the Ural Mountains, where gold was obtained. The Greek caravan trade with the east was small until the fall of Persia, but it was not entirely non-existent.

The amount of traffic was to be somewhat increased in the Hellenistic age, after Alexander the Great, and may have been somewhat greater still at the period of Rome's greatest power, but the peoples and methods remained substantially as in the fifth century B.C. Nothing could be more erroneous than to picture Athenian foreign commerce in terms of modern volume and technique. For the most part, it consisted in the activities of private and single voyaging adventurers who carried on a sort of peddling trade around the Mediterranean and adjacent seas. They bought and sold on a petty scale as they passed from port to port, ultimately returning to Athens with a cargo of grain or slaves. As in the case of industry, we get the impression that commerce was favorably affected by a certain freedom of enterprise, greater than that enjoyed by business people in the older oriental empires; but the superiority of Greek methods did not become fully apparent until Alexander suddenly applied them to the reorganization of the ancient East.

ECONOMIC ASPECTS OF THE FAILURE OF ATHENS

Athens might have surmounted the difficulties incident to insufficient resources in foodstuffs and raw materials, had it not been for other serious handicaps. Cunningham and others have suggested that the public improvements which constitute one of her chief claims to remembrance were unproductive in the economic sense. They must have been very costly in labor and materials for so small a state, and of course they used up rather than yielded revenues after they were finished. This factor is not very impressive, unless those who urge it can furnish strong evidence that the same energy might have sufficed to solve some graver economic

problems. If this was a mistake in economic policy, it is not the only one the Athenians made — plainly visible after the fact. For example, they often failed properly to equip or consistently to follow up their naval and military efforts, so that these became complete financial losses or worse.

Considering Athens' dependence upon her foreign trade, she was in a precarious position geographically. Control of the Black Sea was absolutely vital to her as a great state, and yet she held only the thinnest fringe of territory guarding the straits at Byzantium (later Constantinople), and no real approach by land to this vital point. Persia on the Asiatic side, or any European power which might arise opposite, could threaten the existence of Athens. Only her navy stood between her and economic ruin, unless she could conquer and organize more territory to the north and northeast.

Corinth, dominating the isthmus of that name, held the key to the western trade routes. The small ships of those days were dragged across this narrow neck of land to avoid the dangerous waters south of the Peloponnesus. To render this route really secure, it would have been necessary to dominate practically the whole of Greece. The southern route which tapped the supply of Egyptian and oriental goods could likewise be kept open only by sea power. Persia was a menace to both northern and southern routes, especially as long as there remained hostile or half-hostile Greek and Phoenician commercial towns for her to subsidize against Athens. The Persian Empire was moribund long before the fall of Athens; but if any other than an Athenian hand should overturn it, other cities at the end of the oriental trade routes would be much better situated to control eastern Mediterranean commerce. The ideal sites were the neighborhood of Antioch and the Nile Delta, where Alexandria appeared a little later. Byzantium could become a promising site for an imperial capital only after its European hinterland could be developed and populated.

As a matter of fact, no purely Greek group became strong enough to seize the opportunity for Near-Eastern empire

furnished by the disintegration of Persia. There were plenty of returned Greek mercenaries who discussed the possibility, but it remained for a king of half-barbarous Macedon to reach out for it.

THE EVOLUTION OF IMPERIAL ADMINISTRATION

While the maritime peoples on the border between Europe and Asia had been colonizing westward, developing commerce and city life on the basis of individual enterprise and money economy, and incidentally working out a new basis for local government, the ancient East had been maturing a contribution of its own. The economic unity of civilization had been destroyed when the Hittites, Phœnicians, and others had broken away from Egyptian domination. The disunity had been emphasized by the rise to commercial importance of the Lydians, and especially the Greeks. These two peoples were not absorbed by the new Assyrian Empire, which had swallowed up Syria, Phœnicia, Palestine, and Egypt by the seventh century B.C.

The maritime, commercial civilization of the Greeks and the fundamentally agricultural Assyrian social order developed in different ways, with vast consequences later on. The trade of the Assyrian was largely in the hands of Arameans of Syria whose culture centered at Damascus, and Aramaic rapidly became the language of commerce. A much larger land empire was now possible than in 2000 B.C. Horses and chariots had added to the mobility of armies and to the distances over which it was possible to exercise effective military control. More interest was taken in building road systems than formerly. Improvements in land transportation also simplified the economic problems of administering large areas. Iron weapons and armor, borrowed from the Hittites, made the Assyrian forces well-nigh invincible on land. The Assyrians went a long way toward realizing their ideal of an imperial military and administrative system with one man at the head — an idea which was to be expanded by the Persians, Macedonians, and Romans later.

Only a few generations after the collapse of Assyria, the Persian Empire (about 530–330 B.C.) arose in its place. The Persians were a northern people, like their Greek cousins, still close to their pastoral and agricultural traditions. Unlike the Greeks, they fell heirs to wide stretches of extremely fertile land, with an old, high civilization still substantially intact, and with a population which greatly outnumbered its conquerors. To the earlier Assyrian holdings they added Asia Minor and a considerable area in Europe, in the rear of where Constantinople now stands. In the east, the frontier of their empire reached India. Before the Persians lost their identity in this polyglot population, they succeeded in developing the Assyrian beginnings into an imperial organization which already foreshadowed the Roman one familiar to us.

The Persians built an elaborate system of military roads, and established a postal service. They reopened the old Egyptian canal at Suez, had the Asiatic coast explored eastward as far as India, and attempted to build up sea trade between the Indies and the Mediterranean. They were themselves warriors and farmers, not sailors, but they treated the Phoenicians and other conquered maritime peoples with great consideration, and thus assembled a Mediterranean fleet. Persia was the first state to set up an elaborate system of provincial governments or satrapies. Aramaic was made the official language in which government as well as private business was transacted in the western half of the Empire, including Egypt and the regions next to Europe. Coined money being general in the West, taxes were assessed and collected in terms of it, but coinage and money economy never took the same hold in the eastern or Persian part of the Empire. The Great King tried to keep a monopoly of gold coinage, but both the provincial governors and the coast cities of the West struck silver coins of their own. This fact is particularly significant because silver was the standard money metal in the West. When the Athenians wanted gold to adorn a statue or for other purposes, they bought it

by weight, like any other commodity, paying for it in silver coin.

Here we perceive an economic flaw in the Persian autocratic system, a rift which was widened rather than repaired as time went on. Autocracy has worked best in an economy based chiefly on agriculture. The western provinces and maritime cities had a language and a currency of their own, and they kept largely intact a town type of economic life which was in rather sharp contrast with Persia proper. As time passed, the Great King had more and more trouble in keeping his western satraps under control. Oftentimes they maintained so many Greek mercenaries that he found it expedient to bribe them or subsidize their enemies rather than to attempt to force them into submission. In 401 B.C., Xenophon marched ten thousand of these Greek adventurers safely out of the very heart of the Empire after the murder of a pretender to the throne whom they had been supporting. Persia's weakness stood revealed. Forty-one years later Philip came to the throne of the peasant Kingdom of Macedon, north of Greece. Gradually the idea came to him that if he could get control of Greece his military resources would be sufficient for an invasion of the Persian Empire.

Macedon was a farming country, more than self-supporting in grains, and had some good veins of gold-bearing ore. The language was related to Greek by common origin — somewhat as English is to Low German or Danish — though the Greeks could not understand it. Some Hellenization had taken place, especially through commerce and contact of the Macedonian upper classes with the Greeks. Philip welded together a peasant army, gathered a treasure, and quickly overran all Greece except Sparta. He himself was assassinated on the very day of the games which were to celebrate his departure, but his son, Alexander the Great (334–323 B.C.), rapidly conquered the whole Persian Empire.

ECONOMIC EFFECTS OF ALEXANDER'S CONQUESTS

It would be hard to imagine a sharper contrast than that

between the autonomous Greek trading town civilization and the bureaucratic oriental monarchy into which it was now thrust. Alexander's scheme of administration boldly attempted to make these unlike elements work together in a larger whole. Vestiges of the resulting clash of interests between country and town are still visible in modern European states. In Egypt and the East, private property was at the service of the State. Production was nationalized and socialized. Power was concentrated in the army and administrative staff, with a divine-right ruler at the center. The population at large was docile and lethargic, its social classes stereotyped. Agriculture dominated economic life, a country nobility helped the King run the government, and relationships were largely personal rather than pecuniary — that is, there were still many payments in service and in kind. Religion and the priesthood produced supernatural approval for the whole edifice. On the other hand, elective self-government prevailed in the typical Greek city-state. Private initiative in business was practically untrammelled, and private property was the cardinal principle of economic life. Money economy was so well established as to be commonplace, reducing relations to an impersonal basis. Even the slaves were largely paid in money. Greek economic life had been characterized by the size of the cities, and the number of manufactories whose output was destined for a widespread export trade. The amount of personal freedom enjoyed by the bulk of the Athenians — including the lowest classes — would not look very inviting to a twentieth-century American; yet it was very great compared with that of the Egyptians, for example, where social position and rights were largely in rigid terms of relationship to land. For instance, enrollment in the Athenian *demes* or local government units depended upon domicile rather than on occupation or ownership of land, and the soldiery consisted largely of free peasants.

Compromise and adjustment rather than fusion of these social opposites produced a texture of civilization which set

the stage for the political system which was to dominate European life. This inherited blend of institutions gave Imperial Rome both her strength and her weakness. Octavius' conquest of Egypt in 30 B.C. was followed within three years by the establishment of the Roman Empire, whose organization more and more resembled that inherited from the east as time went on.

Alexander threw the captured Persian hoard of precious metals into circulation, and put the coinage on a gold basis, with a central treasure of some two hundred tons — about \$140,000,000. This is five times the famous modern German war-chest, and represented a colossal economic power in the ancient world.

New towns on the Greek model were established, from Egypt to India. This policy was followed up by the rulers who succeeded Alexander, long after the original political unity of his empire had been lost. The earlier stagnation of agricultural villages was largely broken up by their attachment to industrial and commercial cities and through the introduction of more coinage. The city-state itself was subtly changed by relationship to the larger imperial unit. On the maritime fringe of western Asia, already considerably commercialized and industrialized, there was less to change than in an agricultural country like Egypt.

In the newer and reconstructed cities, business and residential districts were commonly separated. Special terminal facilities for ships and caravan routes were provided. Attention was paid for the first time to sanitation. Capital and labor were invested in practical public works, such as water systems, lighthouses and docks. The narrower city patriotism of pre-imperial times was largely swallowed up, carrying with it much that was good along with the bad features. Greek city life had fallen upon evil days when Alexander came along, and if he changed it materially, he at least gave it a new lease of life, as the backbone of a new imperial enterprise.

Imperial administration in the conquered territories con-

tinued the oriental traditions built up by the Assyrians and Persians, borrowing practically nothing except increased economic efficiency from the Greeks. The conquerors inherited the great royal domains, the lesser noble estates and the city territories of Asia. In Egypt they fell heir to the Pharaonic system, Alexander having hastened to assume the traditional rôle of God-King and proprietor of the whole country. Neither he nor his successors in Egypt, the Ptolemies, made any serious attempt to introduce the Greek system of private landed property. Concessions were made at first to the Greek population which moved in. Some permanent leases of lands were made to those who improved them — especially of gardens, vineyards, and building sites. Only a limited amount of forced labor for the State was demanded until several generations of residence had somewhat orientalized the Greek immigrants. A large percentage of the land, in both Egypt and Asia, continued to belong to the State (or the ruler, as the personification of it).

The State itself was a conglomeration of Greek city-states, each superimposed over a region. Natural economy was practically superseded by money payments; even in agricultural regions where collection in kind could not be avoided, the government tax-collector was able to turn the produce into money. Greek tax-farming had been a private enterprise, but the Hellenistic (post-Alexandrian) tax-collector was a state official, responsible to the Government even with his private property, which could be sold to make up a deficit. The city had been a discordant and embarrassing element in the Persian Empire, but in both the Hellenistic States and the Roman Empire, it was knit into the administrative system as an essential part. That no real fusion of the European city-state with the oriental agricultural despotism occurred is shown by the sturdy growth of the former in the middle ages, whenever and wherever royal control weakened.

FROM HELLENISTIC EGYPT TO ROMAN EMPIRE

What is known as the Hellenistic age lasted about three centuries from the death of Alexander the Great in 323 B.C. His empire split up into three main parts: Egypt, the Seleucid Empire of Asia, and the Macedonian Empire in Europe. Besides these, there were various more or less shifting political units in Asia Minor, and a number of Greek city-states, some of them united in leagues. Rhodes was an independent island republic. The cities, both in and out of the empires, contributed the trade, industry, science, architecture, and intellectual life which the Roman Empire was to take over and transplant in new regions. Rome's original contribution to city life was to be very slight — it is probably safe to say that she dammed up the stream of scientific, artistic, and intellectual progress rather than fed it. Imperial theory, organization, and its relation to agriculture under Roman dominion followed with remarkable fidelity the system inherited from Ptolemaic Egypt.

Hellenistic city life is one of the high-water marks in history. Even imperial cities like Alexandria and Antioch largely escaped the stereotyping effects of increasing governmental control. Both before and after the Roman conquest, a stream of Indian and Arabian products, precious stones, tapestry, silks, perfumed woods, and cosmetics, came to Alexandria, to be exchanged for silver, wine, amber, metal wares, and cloth. Grain was shipped to the manufacturing and commercial towns of the eastern Mediterranean, and more and more to Puteoli on the Bay of Naples, for Roman consumption. The products of the known world, from Chinese silk to British tin, were piled up on the docks. Guarding the harbor mouth was the great lighthouse, three hundred and seventy feet high. Within view of that torch-bearing skyscraper went on commercial, intellectual, and scientific life never equaled in Rome nor even in western Europe until modern times.

Leaving aside the philosophies which occupied every educated mind while the religion and the political traditions

which were to dominate Europe were taking shape, and also the editing of classics which have been fundamental in our education, we find that our modern science began where Hellenistic science left off. Geographical expeditions, collecting data, extended the boundaries of the known world. Eratosthenes compiled an accurate geography, showing latitude and longitude. He also calculated the size of the earth with an error so slight that it makes Columbus' ideas, seventeen hundred years later, look crude and fantastic. Moreover, he anticipated Columbus by that many centuries in the belief that the Indies might be reached by sailing westward across the Atlantic. Aristarchus of Samos advanced proofs that the earth and other planets revolve around the sun, though he did not have the highly developed instruments to demonstrate it beyond dispute. Hipparchus charted the heavens and discovered the fact of the precession of the equinoxes. The geography of Columbus was derived from that of the Alexandrian, Claudius Ptolemy, a more or less garbled version of which was taught in the mediæval universities. The astronomy of Copernicus went still further back to Aristarchus, of the third century B.C.

Alexandria had a great museum, perhaps the nearest thing to a university in the ancient world. Scientific courses in architectural and other branches of engineering were conducted. In mathematics, Euclid brought geometry to such perfection that his textbook is still in use in European schools, and Diophantus was justly called the "*Father of Algebra*." Archimedes of Syracuse developed static mechanics and higher mathematics, though his mathematical work was lost sight of later. He also built remarkable machines on the principle of the lever and pulley, and calculated the specific gravity of a number of substances. Hero of Alexandria built a sort of steam engine in the second century B.C. It was a mere toy, but it converted steam pressure into rotary motion before the Christian era. Biology made notable progress, careful dissection being practiced. The Arabs carried the Hellenistic beginnings in scientific medicine over into me-

diæval times, and it was on this foundation that our modern medical science has been erected. Alexandrian surgeons performed difficult operations, using mandragora as an anæsthetic. Even practical inventions made promising beginnings in the Hellenistic cities, but something in the political or social environment provided by the Roman Empire must have been inimical to this spirit — at any rate, it dried up. Steam and air pressure were used. Water-mills, washing-machines and automatic door-openers were among the contrivances. Levers, screws, and even gear-wheels were employed by such mechanical experimenters as Archimedes.

As in the Roman Empire, the upper classes in the Hellenistic cities were the absentee landlords of estates in the surrounding regions. Whether the Egyptian cultivator held his parcel of land from a great landlord whose lease was so long that it amounted practically to ownership, or worked the crown lands proper, he was practically a serf. His residence and implements were, in a restricted sense, his property, but he was obliged to cultivate the land as prescribed from above, and any of his goods could be sold for rent or taxes. The Government could eject a crown tenant at will, replacing him with another. Even his cattle were not his absolute property, since the State could requisition them. His crop was not his own until he had paid taxes and rents. Moreover, the State had a prior right to purchase at fixed prices so much of the remainder as it desired. This meant all the oil — a state monopoly — and perhaps all the flax, hemp, and wool also. Pasture, meadow, and timber were held to be government property, the tenant having a customary right to pasture a certain number of draft animals only. Peasants had to care for and cut timber for the Government as a part of their forced labor or *corvée* — a Greek term for an oriental institution.

Industry was likewise brought almost entirely under state control or supervision. Raw materials belonged to the Government, which controlled practically all sales. Oils, textiles, paper, mining, and quarrying are samples of enterprises

controlled or monopolized by the State. Compulsory labor was used in the crafts, as in agriculture. The traders were state agents, who sold at fixed prices for a percentage of the revenue. Within a few generations, the private trading practiced by the Greeks before they came to Egypt practically disappeared. Most of the Roman foreign trade was to be carried on by people from the eastern Mediterranean towns, and the methods remained those of the Hellenistic age. Many crafts, with the craftsmen who carried them on, were transplanted bodily from the Near East to Italy in Roman times, and other industries were in the Roman State simply because it had extended its frontiers eastward to include their homelands.

Naturally, there were thousands of public officials in such a system, as fully developed. Besides the organized administrative staff, more and more local people were forced to act as agents of the Government. At first only the lower officials were actually pressed into the service, but as time went on the higher social classes were also included. Wealthy men were particularly wanted, because responsible. They hated governmental tasks, which offered no rewards to the honest, but led to confiscation of goods in case of failure. In the end, a sort of "state socialism" emerged, as rigid as that under the Pharaohs or the Persians, and more intricate because of the Greek improvements in economic life. No social class was free to move without confiscation of property, and the propertyless man was a serf. When the serfs could bear no more, they fled to the swamps. In Egypt, the soil was so inexhaustibly productive, and the mass of the people was kept so poor, that the Government was always rich, even in the final period of Cleopatra.

The Roman imperial organization, and the course of its development and decay, are startlingly similar. The Romans found a land system practically identical with that of Egypt in Sicily, which they took over from the Syracusans and Carthaginians before 200 B.C. They simply transferred the tenants and cultivators from the Syracusan to the Roman

Government, as "*coloni* and peasants of the Roman people." Carthage and European Greece were conquered by 146 B.C. At Corinth and elsewhere, the Roman Government launched out upon a career as a Hellenistic landlord in the East. Carthage also had the familiar oriental type of economic order, which she had spread to Sardinia, Corsica, and Spain, as well as to western Sicily. During the first century B.C., western Asia, and finally Egypt, were conquered by the Romans. In 27 B.C., Rome, already proprietor of the most important parts of the Hellenistic world, accepted the long-established oriental tradition and became an empire with one person at its head.

The eastern Mediterranean lands were greatly benefited economically by being united, as they had been three centuries earlier; but this time it was the conquered who were the schoolmasters in commerce and industry. It was some three centuries before the orientalizing effects of this union of East and West upon an eastern basis were fully apparent. Moreover, the Romans had something of a start in this direction before their empire was founded. They were already exploiting African and Sicilian estates with slaves, using some floating free laborers at harvest time, and the free small farmers and laborers had begun to drift cityward as the oriental system spread. What had previously been a desultory practice of making conquered lands state property became a policy with the Empire, and the growth of what we may call the "crown domain" was to be a decisive factor in Roman history.

SUGGESTIONS FOR FURTHER READING

Note: The works marked with an asterisk (*) are recommended as sufficiently simple, clear, and reliable for collateral reading. All of the chapter references in this book are intended to be useful rather than exhaustive, though sometimes a great book of unusual difficulty is included. The first section, on Economic Origins, being merely introductory, and its material largely borrowed from other than historical and economic fields, only simple readings are given.

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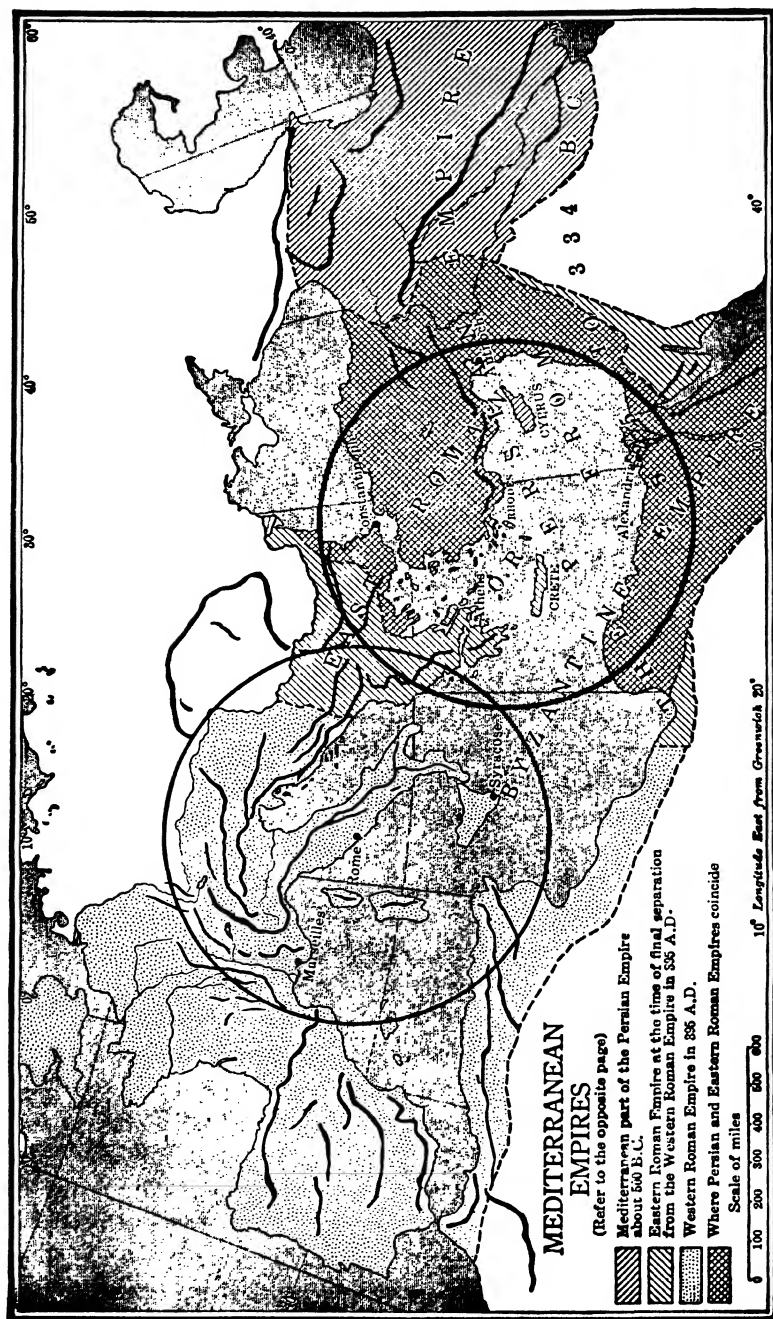
CHAPTER II

ROMAN ECONOMIC LIFE

THE IMPORTANCE OF ROMAN AGRICULTURE


EASTERN MEDITERRANEAN city life, whether it had filtered into Italy with early Etruscan refugees and Greek colonists or arrived later in the currents of trade and imperialism, found little to compete with it in the agricultural West. The wealthier half of the Roman Empire itself — in the east and south — inherited its institutions from the Hellenistic age. Long before the great days of Athens, the Etruscans had been working the iron mines of Elba and the copper deposits of the Italian mainland, their bronzes and jewelry being highly prized in the most cultured regions of the Near East. Goods of Phœnician and Greek origin are found in their tombs. The connection between Hellenized southern Italy and the cities of the Ægean, and also the influence of the Phœnician Carthaginians, make it almost superfluous to remark that the commercial and industrial life of the Italian towns was of Near-Eastern origin.

Grains and stock had been raised in Italy since the Stone Age, however, and the highly developed agriculture of the peninsula was much less easily influenced than city trade and industry. Peculiarities of climate and soil are more decisive in rural than in urban life. For instance, the industry and commerce of the great Italian port of Puteoli were largely in the hands of Near-Eastern immigrants, who used the same methods there as at home, but nobody could cultivate the Apennine slopes in the same fashion as the Nile Valley. The more the Roman Empire expanded northward into the European continent, the sharper became the split into eastern and western divisions. Western Europe in ancient times was agricultural rather than industrial. Its agricultural methods and traditions — in Gaul and Britain as well as in Italy —





MEDITERRANEAN EMPIRES

(Consult the map on the opposite page.)


 Mediterranean part of the Persian Empire, about 500 B.C.

Compare with the

 "Eastern Roman" Empire, at the time of final separation from the "Western Roman" Empire in 395 A.D.

Where the two coincide, the pattern is, of course: 

Between the two, in time, was the Macedonian Empire of Alexander the Great (336–323 B.C.), which had almost exactly the same boundaries as the Persian. (See map in Shepherd's *Historical Atlas*, p. 19. The Persian and Macedonian Empires are shown on the same map in Robinson and Breasted's *Outlines of European History*, Part I, pp. 80–81.)

 "Western Roman" Empire in 395 A.D. Note on the map (Shepherd, p. 52) how this broke up within a few years, while the "Eastern Roman," or traditional Mediterranean, Empire remained intact. Turn now to the maps in Shepherd's *Atlas*, pp. 93 and 124, and note how closely the boundaries of the Ottoman or Turkish Empire coincided with those of the earlier Mediterranean empires. The early Sultans considered themselves to be legitimate successors of the Cæsars.

Circles, each with a radius of 500 miles, have been drawn with Rome and the island of Rhodes as centers. Was it an accident that maritime law was known as the "laws of the Rhodians" for centuries? Note how badly situated Rome is as a capital of maritime empire. The heavy, irregular lines are drawn to suggest the position of the mountain barriers. Rome was not even a good port.

All these ancient units were primarily "valley empires." Only Rome reached the plain of northern Europe, and she was not able to hold it. Note other maps of the Roman Empire, when it was even more extensive (e.g., the Shepherd *Atlas*, p. 35, which shows the boundaries at their greatest extent — under Trajan: 98–117 A.D.). When Rome reached farther into Europe than is shown on the present map, she also had enormously more territory in Asia. The mountain barriers and the relatively poor resources and situation of Italy kept Rome from becoming at once a great empire and a genuinely European state. Note how much of the territory shown, which is only about half the area of Europe, was not occupied by the Romans.

Finally, consult a map of the Turkish or Ottoman Empire about 1900, and see how nearly its territories coincide with those of the Persian Empire of 2400 years earlier. Political empire comes and goes; but the Keys to Eastern Mediterranean commerce are almost as much coveted to-day as they were two millenniums ago.

were very old, and they proved very persistent. While the Romans never held as much as a third of Europe, the area and population of their western lands were sufficient to prevent complete orientalization of the Empire.

Italy had far more good agricultural land than Greece — the nearest parallel in the East. A fairly dense population could be maintained without importing foodstuffs. There was also more and better pasture land than in Greece. On the other hand, Italy had few good harbors, and nearly all of these were on the southern or western shores. The lack of ports on the east side, and also a general westward and southward slope of the land, warrants the remark that Italy economically "turned her back to the east." This fact was accentuated by the topography of the Balkan Peninsula just east of Italy across the Adriatic, which has a mountain wall close to the west coast, and slopes generally to the east and south. Thus, in a sense, the two peninsulas stand back to back. North of the Italian Peninsula, which is some six hundred and fifty miles long by one hundred and twenty-five miles wide at the broadest place, is a continental region drained eastward into the Adriatic Sea by the Po River and its tributaries. This is a fine combination of a commercial site with an agricultural hinterland; but it was too close to the tribesmen of central Europe in early times, and was also overshadowed by the development of Rome. The mineral resources of the Italian Peninsula were meager, like those of Greece. Greece had more and better commercial sites, but Italy was far superior in agricultural resources. The more Rome's imperial edifice outgrew its agricultural foundation, the more its dangers and difficulties accumulated.

AGRICULTURE AND EXPANSION

Early Latium (about Rome) seems to have been cultivated with an almost Chinese intensiveness. The soil, being due in considerable part to volcanic ash deposits, was peculiarly susceptible to erosion. In the early days this was not a serious problem, the hills still being covered with forests which

held back the moisture. It would appear that the early agrarian economy of Rome was a landlord-and-tenant arrangement of a quasi-manorial type which suggests mediæval serfdom in many ways. In a long obscure struggle between the nobles and the Etruscan commercial aristocracy the cultivators appear to have been courted by both factions — at any rate, they were gradually emancipated. The period of the Etruscan kings, down to the foundation of an aristocratic Roman republic about 508 B.C., was evidently one of considerable commercial growth, and the increasing use of money probably had a good deal to do with the decline of serfdom.

The Roman Republic lasted nearly five hundred years. Much of this period is extremely obscure, and there is no possibility of attempting more than the suggestion of a few agrarian problems which arose. At the outset the Romans were only one of a number of agricultural groups occupying the territory between the more highly civilized Etruscans and Greeks. They followed a policy of compulsory alliances, counting as an act of war any attempt to withdraw even from pacts voluntarily made, and playing the weaker peoples against the stronger. By 265 B.C., they had conquered the Italian Peninsula. Besides their military qualities, which the Greeks had also possessed, the Romans were unique in the freedom with which they extended some or all of the privileges of citizenship to their colonies and allies. The most important of these privileges was the *commercium*, or right of the citizen of one city to transact business in another, with full legal protection. Through the confiscation of some lands in almost every conquest, the Government acquired the habit of dealing with a large public domain, parceled out by gift or lease to private individuals. When the encroachment on Hellenic lands began in earnest, it was natural enough for the Roman State to slip into the rôle of great landlord.

As the population of Italy increased, the hills were deforested, erosion ruined or threatened to ruin a good deal of the light soil, and in many places grain fields were superseded by pastures, olive groves, or vineyards. As in Greece earlier,

the small holdings gave way to larger plantations, held by people rich enough to purchase stock or to wait some years for returns from olive and vine. As conquest proceeded, adding new sources of grain, some lands unsuited to grain-growing were released for other purposes.

Numerous attempts were made to restore a system of smaller holdings. For example, the Veian lands north of Rome were given to all citizens in lots of seven *jugera* (about five acres). Such checks, however, did not overcome a tendency toward great estates. Wars and the planting of military colonies were a fairly heavy drain on the population, and the need for soldiers may have figured in the conferring of citizenship on such outsiders as the Sabine and Picentine peoples.

The acquisition of Sicily as incident to the struggle with Carthage in the third century B.C. carried with it an annual tribute of a million bushels of wheat. This was about half of the total amount needed. It was sold for the Roman treasury in competition with Italian grain, greatly to the prejudice of agriculture in the peninsula. An artificial stimulus to other than grain crops was thus provided, and the drift of the rural population cityward was further reënforced. This conquest of Sicily was in many ways a turning-point in Roman history. Rome lost her earlier self-sufficiency as to food supply. Instead of being the center of a federation of groups, she now gradually assumed the rôle of tribute-taker — of suzerain and exploiter of conquered territories. Her inheritance of the oriental land system of Sicily was an important step in the drift toward Hellenistic imperialism.

The wars with Hannibal were so costly in life and treasure that Rome was momentarily faced with ruin and depopulation. Large blocks of land in Italy were leased by the State to people with sufficient capital to utilize them and pay for the privilege. With the Sicilian tribute and the depleted population, there was no great incentive for raising grain at first, and many of the big grants of land were used for pasture. This gradually gave way to agriculture again as the

population increased. The great ranches became plantations — *latifundia* — worked largely by slaves imported from the East. Constant wars furnished a cheap supply of these unfortunates. Forty or fifty slaves might be found on one plantation, managed by an overseer who often was himself a superior slave. Absentee landlordism was probably the rule, since the upper classes had to manage Roman state affairs and maintain a high degree of culture among themselves, while agriculture remained the only socially approved type of enterprise for profit.

At various times such leaders as Flaminius and the Gracchus brothers attacked the plantation system. It was charged with producing a population of alien slaves rather than Romans, bad for the army, and incidentally for political life. Attempts to restore smaller plots worked by freemen met with only moderate success. Many of the new tenants were foreign-born soldiers or town proletarians, with no knowledge of agriculture. Not all parts of the country were suitable for small-scale operations, and many estates were broken up in such ways as to make cultivation unprofitable. At the same time slavery declined because it was economically inefficient and the supply of suitable slaves was lessened as Rome's conquests were pushed further from home. The Sicilian fields were overcropped and badly managed, so that their yield fell off at the very time when the increasing population of Italy demanded more grain. Slave labor was found unsuited to intensive grain cultivation on the loose Italian soil, as well as destructive to the best military class — the freemen. The situation had come to a head by Julius Cæsar's time, and within a generation the word *colonus* — that is, "peasant" or "cultivator" — had acquired the generally accepted meaning of "tenant." The same word was to mean "serf" later on, after the Empire had run its course toward orientalism and the standardized peasant was little freer than in Ptolemaic Egypt.

The foundation of the Empire was a foregone conclusion long before it took place. Rome inherited an interest in the

rivalry for eastern Mediterranean trade with the conquest of Greek southern Italy. Political complications with Greek rulers east of the Adriatic inevitably arose from this move, and especially as a result of the wars with Carthage, which led Rome to become a sea power. A rivalry for commercial and naval supremacy in the East had long existed between Egypt, Syria, and Macedon — the three most important Hellenistic states. Rome was superior to Egypt on the sea long before the close of the wars with Hannibal. The Romans had gained the enmity of the Macedonians by seizing lands east of the Adriatic in Illyria, and by alliances with the petty Greek city-states which were Macedon's rivals. An alliance between Philip V of Macedon and Hannibal paved the way to inevitable war between Rome and Macedon as soon as Carthage was out of the way. Like Rip Van Winkle's drinks, one conquest led to another, there being no place to stop. As one writer has remarked, the Roman Empire grew as a process of suppressing nuisances on the frontier. The conquest of the Balkans involved a clash with Syria, whose king had similar ambitions. Smaller independent groups like the Greek city-states and Pergamus in Asia Minor were promising spoils which led the Romans on. By 30 B.C. the one remaining link in the Near East was Egypt, which was seized in that year. It had been ruled by a Hellenistic aristocracy, superimposed upon the native population, so the shift of masters hardly created a ripple. Mark Antony had already seriously thought of Egypt as a nucleus of Mediterranean empire, and very likely others before him, including Julius Cæsar. When this empire was founded, in 27 B.C., the capital was not in the Near East, however, but in the far-away Rome, and conquered Egypt was a mere crown land in the new Roman Empire. In the meantime Spain had been wrested from Carthage, and the strip of mainland which connected the province with Italy had been expanded by Julius Cæsar to take in all Gaul.

The Empire was "Roman" in name, but its economic life was certainly not Roman, with the exception perhaps of

agriculture in Italy and some of the European provinces. The organization of agricultural labor, even in Italy, had been profoundly affected by oriental contacts, and the Government at Rome was to be more and more impregnated with the eastern idea of state lands and state interference in enterprise. On the European frontiers, on the other hand, there is no doubt that the Romanization of Celtic and Germanic agriculture was far from complete.

THE CONQUEST OF GAUL

Gaul was overrun and annexed a half-century before the Christian era, not so much because the Government wanted it or considered it of any value as because of the political and propagandist need for some sort of military triumph at a moment when operations in Asia were impracticable. Then, too, the southern fringe already held by the Romans was always in some danger as long as the main part remained unconquered. This was particularly obvious at the time of the Roman expedition because of German pressure westward. One Metellus, who was to have led the army, suddenly died, and his successor as consul, Julius Cæsar, took command, with results known to every school-boy.

During the civil wars following Cæsar's murder, the new province was practically lost sight of; but more than a generation after its conquest it developed an unexpected capacity to pay taxes at a time when the treasury was in a bad way. The great resources, natural waterways, and already fairly civilized, industrious population of the country proved a veritable gold mine to the astonished Romans, who had considered it a foggy wilderness. Men swiftly accumulated fortunes in this frontier land. Its linen soon rivaled that of Egypt, and its pottery competed disastrously with that of Italy.

Previously Rome's conquests had made her more and more an oriental state, threatening by their very magnitude to swamp her as a European power. Gaul threw a new and enormous weight on the European side. Civilization became

firmly established in the great plain of northwestern Europe, peculiarly fitted by nature, as we shall see later, to become the greatest nucleus of material culture so far.

Henceforth there were economically two Romes, the oriental Empire and the leader of western Europe. The great bulk of the European continent remained politically aloof, but Rome armed and drilled many of its people, while traders under her protection changed their standards and ideas. In time, the European frontiers were to dissolve, and the oriental Empire to lose its grip west of the Adriatic.

AGRICULTURAL METHODS

While Romans made little if any contribution to agricultural implements or technique, they scattered what was already known over vast new areas. The common cereals were wheat, barley, millet, pulse, and beans. Some turnips were raised for cattle, and a great variety of vegetables for human use. Among these were lettuce, cabbage, leeks, onions, carrots, asparagus, artichokes, cucumbers, and melons. Olives and grapes were produced in abundance.

The sowing of grain took place in spring and fall, mostly in the fall. Orchards were trimmed in the winter. Vegetables were planted in March. Hay was mown in May. Grain was harvested in June and July. Grapes and figs were gathered and dried in August, and wine-making was carried on in this same month. Olives were picked and pressed in the autumn.

Cattle were raised for draft rather than for beef or milk, and were much more plentiful than among the Greeks. Cheese was made, but butter was practically unknown. Horses, asses, sheep, goats, and hogs were common. Fowls were plentiful, and honey was produced on a considerable scale, taking the place of our sugar.

Agricultural implements had been little improved for centuries. The plow remained scarcely more than a crooked stick, which did not go deep or turn the furrow. So inefficient was it that two or three cross-plowings were sometimes

necessary. The Romans harvested with sickles and threshed with flails or by tramping out the grain on threshing floors. Irrigation was unnecessary in most parts of Europe, and especially difficult in the southern peninsulas because of the steepness of the slopes and the loose character of the soil. Extensive drainage works were sometimes used in Italy to prevent the rotting of crops during the rainy season.

Crop rotation was practiced, including the use of leguminous plants. When necessary to maintain fertility, the Romans combined diversified agriculture with stock-raising, and in the end artificial fertilizers were introduced from Gaul. These practices were not new, but were introduced where the character of the soil, the density of population, and the price of agricultural products demanded them. The letters between landlords and tenants in Ptolemaic Egypt were quite "modern" in their attitudes toward the fundamental problems of agriculture, and Varro's treatise (*De Re Rustica*), written in Italy before the Empire was founded, was to remain an authority for a good deal over a thousand years.

When we take up the familiar question of rural decline, it must not be forgotten that Italy maintained a dense population in a fair degree of comfort for centuries. Few historians maintain that the decay should be traced entirely to agriculture, which gave way like everything else under the intolerable burden of imperial administration.

EMPIRE AND RURAL DECLINE

Only the most general features of this decay of Italian agriculture can be traced here. The city proletariat grew at a rate which was both politically and economically embarrassing. It had to be fed somehow, and Italy did not furnish sufficient grain or the raw materials for great export industries, to pay for the deficit in cereals. The Government felt itself obliged to sell grain to the city population at less than cost or actually give it away. The cost had to be borne by taxation and by the revenues from the state lands. In either case, much of the burden fell on agriculture. Here we

have a curious situation. The Italian cultivator had to compete with grain from outside — often raised on better land than his. Besides this, he had to help pay for the competing grain, consumed in the city. To the extent that this was necessary to support the machinery of the central Government, it was justified, but the doles largely went to people who did not perform any real service to either government or industry.

Many of the showy public works, such as amphitheaters, baths, and palaces, which appeared in imperial times, were constructed primarily to keep otherwise idle labor employed. Like the Egyptian pyramids, they were natural products of the contemporary social order. They contributed to discipline and to the human pride in great common enterprises which make for social solidarity and public morale. The other side of the picture must not be ignored. They were social and political nostrums which reduced the symptoms of an economic disease rather than cured it. Carried out on a sufficient scale, they inevitably competed with economically productive enterprises — whatever their purpose. Added to the various other weights which the Government was throwing into the balance on the side of the urban rather than the rural classes, they helped encourage the exodus from country to town.

The ruling class was not blind to the dangers involved in depending too much upon imported grain for Italy. Still, as is nearly always the case with statesmen in office facing immediate practical problems, they were obliged to devote their main energies to the exigencies of the moment, hoping that the secondary consideration they gave the distant future would suffice. The program of small holdings was not finally abandoned until the utter inability of the Government to carry it out, with any means at hand, had been demonstrated. As late as Nerva and Trajan (96–117 A.D.), unsuccessful attempts were made to establish rural credit schemes, the six per cent return being used as a bonus to parents. The rural exodus continued, however, and the subsidies had no visible effect on the decline of population.

Much land went out of cultivation at one time or another. Some writers, notably Professor Simkhovitch, emphasize a loss of soil fertility, though others insist that this was unimportant, temporary, or a mere symptom arising from a much deeper economic malady, or from unfavorable climatic changes. It is one of the most obvious tenets of modern economics that lands thus abandoned are the marginal ones — those which barely pay even under favorable conditions. We know, for example, that it was the lure of urban occupations and the competition with the better grain lands of the West, quite as much as declining fertility, which led to the abandonment of many New England farms. There is every reason to suppose that the same economic laws applied in ancient Italy.

The situation became so serious that in the end the peasants were attached to the soil, the *coloni* thus becoming serfs, though not slaves. This policy of trying to force by law the cultivation of fields which did not pay for the trouble was no more successful than we should expect. By the end of the fourth century A.D., practically no class in the Empire was legally free to move from its place of origin. Even slaves could not be alienated from the land. The social history of Egypt had repeated itself, with even more disastrous results in Italy because of her geographic disadvantages. Italy had not the inexhaustible soil of Egypt, perpetually renewed by the Nile, and the Italian bankruptcy was more serious because of a large population which could not be supported on the resources of the peninsula. Once this population had been decreased by the disorders and hardships of the early middle ages to what the peninsula could support, Italy entered upon a new period of prosperity, which was gradually extended through access to new markets in northern Europe.

The growth of large estates, and of government interference, were notable features of Rome's rural decline. As early as Nero (54–68 A.D.), proscriptions and confiscations brought much land, especially in Africa, into the possession of the Government. Domitian (81–96 A.D.) saw the danger of

African competition to Italian agriculture, but his efforts to protect the latter were ineffectual. When the government tenants on the thin soil of Africa found it impossible to pay the high taxes, and threatened to throw up their leases, an imperial decree attached them and their descendants to the land. Many lesser freemen in Italy also found their taxes or rents confiscatory. For this reason, and sometimes also because unable to protect themselves as disorder increased, many voluntarily commended themselves to monasteries or great lords. They became *coloni*, bound to the soil, the final and formal legal decree being issued by Constantine.

In spite of government opposition, patronage increased. The patrons were men who got control of local affairs, protected their clients even from the Government, interfered with the administration of justice, and generally usurped the authority of the State. The independent middle class, crushed under the hopeless burden of responsibility for raising the taxes, gradually disappeared. As in Ptolemaic Egypt, their descendants were absorbed by the administration if it could make use of them, or otherwise dropped into the lower social orders. The great nobles of the old senatorial class, excluded from imperial politics, generally returned to their estates. Many of these estates grew to great size, and their owners acquired imperial immunity from taxation or openly defied the tax-collectors. The great estates, the *fundus*, and especially the frontier *saltus* of the final period, with its special jurisdiction and privileges (often independent of the administration of the *civitas* or municipality at the head of the district), resembled the mediæval manor in many particulars. Fustel de Coulanges and others have urged lineal and gradual descent of the mediæval manor from the later Roman *fundus*, depreciating the Germanic elements in the mediæval land system. This question will be dealt with later. True feudalism did not exist in the Roman Empire. The fief (*feudum*) of later times was granted chiefly for military service, and these Roman nobles were not a warrior class.

It is well to remember that by the fifth century Germanic elements had already entered into agriculture and land tenure through the settlement of whole groups within the Empire. Moreover, the assimilation of conquered peoples was never complete outside of Italy. The moment conspicuous decline of central power set in, the various partially assimilated racial groups on the fringes of the Empire began to reassert themselves and to follow their own customs.

The system of great villas or estates, worked by *coloni* (bound to the soil), both simplified and weakened government. Being run for profit and held by comparatively few people, such estates were convenient units to tax. The main difficulty with them was that they were too successful — they grew so powerful that the weakened central Government could not collect the taxes. With the reduction of the rural population to serfdom, the only class of Romans from which an effective army could be drawn disappeared. The city rabble, never conspicuous for soldierly qualities, was even worse. There was nothing to do but recruit armies from among the Germans, who were thus put in possession of the real force of the Roman State. One or another *coup d'état* of a German general, supported by his German army which had been recruited and drilled by Rome, need not occupy our attention. From an agricultural republic with a fine soldiery of freemen, Rome had developed into an imposing empire, the real wealth and strength of which lay in the Near East, not in Italy.

ROMAN INDUSTRY AND COMMERCE

The Romans imported many craftsmen, as well as the bulk of their designs and industrial ideas, from the East — or, strictly speaking, many had been *exported* to the West by eastern peoples before Roman times. For the most part the Romans were content to let the Greeks, Syrians, and other Near-Easterners handle their foreign trade. Science languished. Civil and structural engineering, however, made some systematic advance, but even here there was no start-

ling originality or inventiveness. The rulers who had lived in the eastern Mediterranean were greatly impressed with the superiority of the culture of the Hellenistic homeland, and did all they could to import it into Italy. Hadrian, Emperor from 117-138 A.D., is an example. His reign is perhaps the high-water mark of material progress under the Empire. It is worthy of note that he had long been stationed in Syria, and that the chief architect of his period was a Syrian.

Roman industrial life presents the spectacle of a personnel organized and disciplined with exceptional thoroughness, but working with only the simplest tools and no machinery as we employ the term. Much of the work was done by slaves, and the freemen who competed with these had no special standing. If an occasional man made money, he usually purchased land and entered the one occupation considered respectable — farming. The largely enslaved class of small industrials was hardly calculated to exploit discoveries or inventions, even if industry so manned had been productive of them.

It is very hard to do justice to the Roman point of view, largely because of certain presuppositions which are thrust upon us by modern economic life. The Empire had grown up on an agricultural foundation, and at the center of it as a social structure was a ruling landed aristocracy. Such of the imperial machinery as they had borrowed from the East, notably from Egypt, did not stress free enterprise, or remove the emphasis from the land. The Empire had been founded on rigid discipline, and freedom of industrial enterprise seemed to be its enemy. Large industrial organizations were well-nigh impossible, partially because wealthy people bought land or took government concessions for social reasons, partially because large, stable financial groups were permitted only in connection with state contracts. A great moneyed power outside of the aristocratic governing class would have been regarded as highly dangerous to the State. Slavery was taken for granted in industry, and the free laborer was often worse off than the slave. Unemployment

was one of the chronic Roman problems, and the introduction of mechanical improvements was actually discouraged for fear it would aggravate this situation. A man invented a machine and gave it to Vespasian, who thanked him and put it away because it would throw so many people out of work. Scarce and high-priced labor has been so much the rule in America that it is difficult for us to see why it is cheaper to coal steamers by hand in Spain, to weave by hand in India, and to use cradles rather than horse-drawn harvesters in many parts of Europe. Finally, Rome's imperial success in the Near East destroyed any chance she may have had for industrial and commercial leadership. The unification of the eastern Mediterranean region led to a great economic revival, raising up competitors within the Empire against which Italy, with her poorer situation and resources, was quite unable to contend.

There were some secret industrial processes, but the State did not issue patents or protect trademarks. Something like the modern joint-stock company existed to handle tax-farming and state concessions, but it was not found in industry. The small scope allowed to individual traders discouraged the growth of inter-regional exchanges of goods, and hence of adequate commercial banking facilities. These handicaps were more or less permanent and inevitable because of a general desire on the part of able and ambitious people to get out on the land and thus achieve social eminence or political power. Provincials and foreigners furnished somewhat of an exception, and the prejudice against urban economic activities seems to have been decidedly less in southern Italy, where the population was not of Roman origin. The successful business man had to be cautious in his enterprises, however, as any activity of a political nature was likely to lead to confiscation. This partial exclusion of business people from politics, and of politicians from business enterprise, was bad for both.

A few industries grew to large proportions through sheer force of economic circumstances — the pottery works of

Arretium and Puteoli, for example. The finest clay could be had in only a few localities. It was cheaper to spread the heavy expense of design over a great many articles. In brick-making, likewise, a restricted area yielded the best raw materials. An unprecedented demand in the city of Rome after the fire of Nero enabled Dominius Afer and his sons to convert the brick industry into a large-scale one. The blowing and moulding of clear glass, a Tyrian invention, also became a large industry, probably because the process was kept secret. Bronze was worked in fairly large plants, Capua being the center of the industry. The bronze castings were not for productive machines, however, to multiply the energies of man, but were chiefly works of art.

When we turn to basic industries, such as iron, steel, and textiles, the technique is seen to be amazingly primitive. Not until the fourth century A.D. was a method discovered for melting iron. Without this only the smallest castings were possible, and all ironware was expensive. Yet all that was needed to transform the industry was the introduction of a valve into the bellows, so that a stronger, steadier blast of air might be produced. There was little incentive, however, for the slaves or poor free artisans to bestow any constructive thought upon the matter. Some fairly good steel was produced in small pieces by rule-of-thumb methods, but there was a large element of luck in the process, since the chemical analysis of ores was not understood. The steel was made by hammering the impurities out of the iron and then reheating it by a charcoal fire. As this fuel contained a high percentage of carbon, the reheating of the pure iron introduced the carbon essential to the making of steel. Steel such as our modern spring and instrument steels must have existed in very small quantities, if at all. Even the famed Damascus and Toledo blades of a much later date, when greater heat could be applied, do not test up to their reputation. We could turn out better ones to-day in great quantities at an infinitesimal fraction of the labor. The mainspring of our dollar alarm-clock could not have been duplicated at all by the Romans, as to either quality or form.

Such concentration of the iron industry as took place — especially in the great port of Puteoli — was due to the presence of good wood for charcoal and of shipping facilities. Some fairly large central shops were to be found, but these were mere aggregations of smiths for convenience. As to large productive machinery, there was nothing even to correspond to the great mixing-vats of the pottery shops. Woolen cloth-making was a household industry, carried on largely by personal slaves in odd moments.

Under Greek and other eastern Mediterranean leadership, commerce fairly covered the Empire. A fleet of one hundred and twenty ships plied regularly between the Red Sea and the ports of India. The goods mentioned are, on the whole, valuable for their weight as compared with modern ocean cargoes. King Mithridates noted the presence of eighty thousand traders from Italy a little over a half-century before the Christian era.

The slowness and difficulty of transportation in classical times, by sea or land, should, however, put us on our guard against supposing that trade between localities played anything like the rôle which it does in our day. Even occasional figures which indicate a fairly large total commerce should be considered in the light of their *relative* importance in the economic life of a great empire. Localities supported themselves as far as possible, especially in respect of the heavier and cheaper commodities. As in Egypt and Mesopotamia earlier, canals and stone roads helped to solve the transportation problem, but the boats and carts were crude.

The leading exports from Italy were glazed pottery, Italian wines and olive oil, metal ware, and some lumber and cloth. Imports were more numerous and varied. Those from the East were primarily food products and manufactured goods. Grain came from both Asia and northern Africa, including Egypt — at times also from the lower Danube Valley, the Black Sea region, and Gaul. Dyes, precious stones, tapestries, rugs, and glassware were brought from Anatolia and Syria. From Syria also came linen and cedar. China sent

silk. Cotton, pearls, ivory, and spices came from India and the adjacent islands. Incense, myrrh, cosmetics, spices, and precious stones were among the imports from Arabia. Egypt and Ethiopia supplied fine cloth, glassware, papyrus, ivory, slaves, and beasts for the Roman games. The imports from the West were more in the nature of raw materials than of finished products, though linen cloth came in quantities from Spain and Gaul, and steel products from northern Spain. From Gaul also came hides, wool, salt meat, cheese, and certain ores, besides the cloth and grain already mentioned. Spain supplied much in the way of metals, both precious and those used in the arts. Tin was imported from England.

Nor should any one suppose that the tribes east of the Rhine, called "barbarians" and "Germans" by the Romans, were in anything approaching a state of savagery. They pastured stock, raised hay, grains, and vegetables, mined and smelted the metals, and some of them carried on considerable industry and trade. The Romans imported soaps, cosmetics, cloth, beeswax, amber, furs, and many other things from them. Rome's military defeats at the hands of the Germans and her gradual withdrawal before them give us a picture of tribes neither unorganized nor badly armed, though they were not as advanced in culture as the Celts of Gaul.

Until the middle of the first century A.D., cargoes destined for the capital were unloaded at Puteoli, one hundred and fifty miles distant. Then the port of Ostia, at the mouth of the Tiber, was dredged out and improved. Yet it did not capture nearly all the trade. Puteoli had the great advantage of being a manufacturing city, which could furnish return cargoes. There was probably a wholesale market at each leading port.

Few voyages were made on the Mediterranean during the winter months. Not only was there little to move at that season, but the sea was dangerous for the small ships then in use, unprovided with compasses. Saint Paul's famous voyage to Rome was probably not beyond the average in dangers

of shipwreck and delay. Independent captain-owners were the rule, as in pre-Roman times, when the Greek merchants had rarely established regular sea routes. Shipping subsidies and government regulation were natural corollaries to the dependence of the capital city upon imported grain. This government pressure tended to create larger units and to establish regular schedules to some extent, but the "tramp" or itinerant trade by single ships cared for the bulk of the business.

CRAFTS AND LABOR

It is possible to identify over eighty crafts, typical groups being the butchers, bakers, dyers, tanners, smiths, masons, boatmen, musicians, and barbers. In the imperial period, the crafts all had their *collegia* or workmen's associations. At first, these were social and religious. While the Government kept the poor quiet with bread and circuses, it did not provide for respectable and dignified funerals, so there was room for the *collegia* as burial societies. Without proper burial the disembodied spirit was supposed to stalk about — a horrible contingency, to be avoided at all costs. Not infrequently a craft association of this sort acquired the corporate right to some part in a public ceremony or procession. Under Diocletian, late in the third century, the Government forbade all change of occupation and used the association to aid in the administration and collection of taxes. While a good deal of craft skill must have passed down directly from Roman Gaul to mediæval France, there is no convincing proof that any of the organizations themselves survived.

The wages paid to Roman workmen in Cicero's time were around twenty to thirty cents per day. In the scale prescribed by Diocletian they varied from ten cents for unskilled laborers to thirty-two cents for painters, with the majority of the craftsmen paid around twenty-one cents. This sometimes included food and lodging. Considering the purchasing power of money, it was probably no more difficult to make a living then than now. Living quarters could

be rented at from one to two dollars per month. The State provided baths and amusements free, and gave grain at a low price or outright. There was no meat in the diet of the workman, the menu being chiefly wheat porridge, cheese, vegetables, olive oil, and wine. It is estimated that the average grocery bill per individual was from six to eight cents a day. Clothes were cheap, fifty cents' worth of wool making two tunics, and shoes costing about fifty cents per pair. In short, the laborer had little trouble in making ends meet in normal times, but alone he would have found it very hard indeed to meet the special expenses of a funeral, which cost about ten dollars.

It is difficult to estimate the effects of slavery in stereotyping Roman economic life and hampering progress. No organization of working people could achieve any great independence or bargaining power because of the competition with slave labor. The free laborer, as often as not an ex-slave or the descendant of one, had little more than a bare living. There was usually little he could do to better his condition, though occasional individuals did so. Important directive positions like that of steward or overseer were much more likely to be given to trusted personal slaves than to freemen. Strikes were practically unknown, as the workman could be replaced by a slave and left to starve. There was little room for self-improvement or personal initiative in such a system, and it is not strange that the mechanic arts muddled along with very little improvement.

FINANCE, CAPITAL, AND COINAGE AT ROME

The Romans left capital and capitalism little, if any, developed beyond the stage at which they borrowed it from the eastern empires and Hellenistic cities. The nobility invested safely and simply in real estate rather than in business enterprises, which were held in low esteem. In the time of Cicero, the amount invested in public contracts was about one per cent of that invested in real estate. It is difficult to estimate the amount of capital available for investment at Rome.

The two greatest fortunes recorded, both of Senators, were alleged to be about \$20,000,000. The capital of the largest joint-stock companies carrying on public business rarely equaled \$1,000,000, and private enterprises, including partnerships, with more than a small fraction of this capital were rare.

Most banks were operated as private ventures or partnerships. They received deposits, lent money on notes, mortgages, and real estate, and there is some evidence of the crude beginnings of modern discounting practices. Some of the larger banks had foreign agents and branches, and there was some beginning made toward the machinery of foreign exchange. There are probably a number of New York banks to-day each of which has a larger volume of business than that of the entire Roman Empire at the height of its prosperity. The rate of interest on good security ran from four to six per cent.

Partnership was the largest type of organization permitted to private enterprise in commerce and industry, incorporation being allowed only for holders of state concessions or debts. Liability being unlimited for each member, the size of business groups was practically limited to the number of people who could know and trust each other personally. The more partners, the greater the danger of unexpected dissolution through the death or withdrawal of some member. Large banking establishments were impossible, and the accumulation of fluid capital was hampered. A group of the more important business men, known as *equites*, was divided into two major classes, the *publicani* (from *publicum*, a public business enterprise), and the *negotiatores* (from *negotium*, a private business affair). The great military and other imperial undertakings, including the collection of taxes, called for an immense amount of organization for such tasks as building roads, erecting buildings and aqueducts, and getting the grain supply from abroad to Rome. Contracts were let out periodically by the authorities to companies of these *publicani* to perform a specified piece of work for a fixed sum.

Rome did not coin money until 366 B.C., probably because there was little need for currency in her simple agricultural economy. The bronze *as*, weighing one pound, at first served as money. Later the silver *didrachm* came in at a ratio of about 120 to 1. With this bimetallic currency Rome had the usual difficulty of keeping the metals in the proper ratio to each other. Alexander the Great's conquest of the East threw much new gold and silver into circulation, and prices practically doubled even in Italy. Presumably because bronze was thus doubled in value relative to gold and silver, the weight of the *as* was halved. During the Samnite wars, when copper was hard to get, the ratio fell to 20 to 1, but was returned in 269 B.C. to 120 to 1, peace having been restored and copper being again available.

The two-ounce war-time *as* was continued, but a new four-scruple *denarius* (originally called *denasius* because worth ten of the bronze asses) became the standard silver coin. Besides fractional bronze money, a one-scruple silver piece was issued, called a *sestertius* because worth two and a half asses. During the wars with Hannibal at the end of the same century, the values of silver and copper again wildly fluctuated, and reissues and revaluation were resorted to in order to prevent the disappearance from circulation of the undervalued metal.

Gold was first coined about this time, at a ratio of 1 to 16½, though the Greeks had been coining gold and silver at a ratio of 1 to 12. Precious metals, especially silver, tended to flow to the Orient to pay for imports, as they have generally done since. Nero debased the coinage by about twenty-five per cent, and within two centuries the coins had fallen to something like two per cent of their value in the early Empire.

As to the purchasing power of money metals, goods in which labor cost was the chief item were naturally cheap in a country of slaves, disfranchised peasants, and proletarians. Iron products were high-priced because of the crudeness of the industry. Imported luxuries were probably at least as expensive as now.

The total annual income of the Roman Empire in the most prosperous period could not have been much in excess of thirty millions of dollars — less than eight per cent of the yearly budget of New York City in our time. Direct taxes were discontinued in 167 B.C. The crisis of the wars with Hannibal was tided over with surtaxes on incomes, the farming-out of public works, loans on the public lands, and even free contributions from citizens.

During imperial times the Government was supported by the income from state mines and lands, indemnities, tribute, and booty — supplemented finally by provincial taxes, state monopolies, special taxes on inheritances and the price of manumitted slaves, and import and export duties. In addition to carrying on the civil administration of the State with the small income mentioned above, the Government had to provide for bread doles to the proletariat of the capital, for the equipment, maintenance, pay and retirement of the great army, as well as for expensive games, triumphs, and public works. Long before the withdrawal of the main capital from Rome to Constantinople, the Empire was in the direst straits for money. The great landlords, the richest class, managed to evade taxation, and the middle-class *curiales* and *decuriones* were gradually extinguished by the growing burden.

THE "FALL OF ROME"

The oft-employed expression "the fall of Rome" is vague and ambiguous. It does not apply to the Empire, which, to use the mining expression, rather "petered out" than came to an abrupt end. Reorganized by Constantine the Great just after 330 A.D., with its capital at Constantinople, it was divided into three parts by his sons in 337, reunited in 357, and more definitely divided into two parts in 395. Of these, the more important was the eastern, which had a continuous political history down to 1453. The Emperor at Constantinople recovered Italy and northern Africa in the sixth century, but lost most of it immediately — all of it eventually.

This leaves only Italy and the western European provinces to be considered. The city of Rome was taken and plundered, but not held, by the West Goths under Alaric in 410. It had ceased to be the imperial residence eight years earlier. During this whole fifth century parts of the European lands of this western fragment of the Empire were breaking off. In 476, Italy itself was taken over by a German general, Odoacer by name, who was recognized as ruler (but not king) in the peninsula by his ally, the Emperor at Constantinople.

If a fairly well-informed person mentions the "fall of Rome," then, it cannot refer to any dramatic event, but rather to a decay of the western part which was very obvious early in the third century, and complete by the sixth. The frontier which the Roman Government had been unable to push northeastward into the real heart of Europe was now removed by the unconquered peoples beyond it. Thus the field of European civilization was enormously enlarged, but this increase in size carried with it for the time being a great loss in unity, organization, and culture. The real problem in the "fall of Rome" is the question why the imperial administration was unable to maintain itself in western Europe.

Viewed in this way the question partially answers itself. The administrative machinery survived for many centuries in the East, where most of its history had taken place, and where, therefore, it fitted the geographical surroundings and the mental habits of its subjects. It worked worse and worse in Italy as the oriental model was approached. Economic life in the Roman Empire at its full extent was too varied for any stereotyped social system, such as had worked well enough in more compact, self-supporting Egypt. Italy was economically too dependent upon the outside. The city of Rome rapidly ceased to be self-sufficing, and developed into a great urban parasite upon the Empire. Italian commerce and industry were fatally injured by the competition of the Near East, which was restored to prosperity by the Romans themselves. Indiscriminate charity, partially based on political

motives and partly on economic necessity, destroyed the initiative of the population. Unfree labor had a fatal influence upon the energy and independence of free labor. The middle class, the backbone of the State, was crushed by the burden of taxation. Society came to be divided into the great mass of slaves and half-free *coloni* and a few great landlords who were able at last to defy the Government.

Generals struggled for the throne, ravaging imperial territories and upsetting public order with their armies while the frontiers went unprotected. Slaves and serfs were used as soldiers as the number of freemen declined, and finally the backbone of the army was recruited from among the Germans. Increasing numbers of German tribesmen settled within the Empire, often by invitation. Finally, these North Europeans took charge of government in the West in name, as they had long been its real bulwark in fact.

ECONOMIC STRENGTH, WEAKNESS, AND PERMANENT CONTRIBUTIONS

Looking at the whole imperial period, we see society transformed, under oriental influences, "from a régime of individual initiative to the régime of status." Under the Republic, the individual's position and activities had been largely determined by his own will and efforts. The Empire reduced the population to a number of castes and classes. Each man's position was determined by that of his father, and his rôle in public and private life was stereotyped. As in Egypt earlier, the burdens increased, and people sought to flee from them, into "the army, civil service, the church, or the wilderness," as Professor Boak aptly states it.

Given time to work itself out, empire — that is, dominion over wide and varied areas — has always depended upon superior creativeness. That is to say, only that empire is durable which can contribute to the prosperity of its subject peoples, thus giving rise to a surplus out of which to pay the expense of its maintenance. Otherwise, though it may go on for a time by force alone, a force which merely collects what it

does not aid in producing undermines itself progressively by stirring up more opposition than it can afford to put down.

Rome's greatest contribution, which enabled her to live for so long a time, must not be underestimated because it was so largely negative. She furnished discipline. Law and order, peace, and commercial intercommunication were established over an immense area. This in itself released for productive activities vast forces which had been burning themselves out in petty strife and competition or rusting unused in an atmosphere which offered insufficient rewards. Business enterprise follows in the wake of protection and stability because of the assurance that the fruits of initiative will not be arbitrarily withheld or taken away if won. A great peace like the *Pax Romana* tends to change the armies which have been destroying each other and the civilizations they represent into a great police force, whose main military activities consist of "pacifying" turbulent frontier groups or keeping them out of the peace area. This effects economy, besides banishing the perennial fears which so hamper business.

In defense of the Romans as creators, it should be remarked that peace is something more than the absence of strife. Property relations are extremely intricate — especially so where there is much property. Innumerable differences of opinion are bound to arise, among both individuals and groups. In order that these may not lead to disorder and destruction, it is essential to have a complicated code of laws, well enough worked out and administered to hold the moral support of the business public. The legal system as a whole must be considered just. To gain that "sacredness" in the public mind which the word "just" implies, the law must be elaborated with infinite patience, common sense, and experience with actual conditions. Looking over cases involving business under the Roman law, the novice is always astounded at the similarity of their practices to our own. One gets at first almost an uncanny sensation that all this took place only yesterday, and that the litigants and judges are his very neighbors. Remembering that the language of the Romans

was also that of the middle ages in western Europe, and that these legal codes were never entirely lost, it would be absurd to forget that Roman law is a first-rate factor in all subsequent economic history.

The *jus gentium*, or "law of all peoples," had far-reaching effects. Though it forms the nucleus around which modern international law has grown up, it was originally private law, dealing with the private individual whose interests were affected by the conflicting laws of two nations. It arose out of the practical situation of many aliens doing business with Romans. Though rough-and-ready practical law at the outset, it finally got reduced to something like a code. The magistrate often found it impossible to apply either the Roman or the alien law. By recording situations similarly dealt with by many nations, and also innumerable compromises between conflicting laws, a "law of all peoples" gradually appeared. While it could never be so definite as the civil law of Rome for Roman citizens, it was generally accepted by the business world as simple, universal, and fair to all parties. The law merchant of the middle ages grew out of a similar commercial need, as we shall see later, and demonstrated anew the importance of international business contacts as a source of legal practices.

Unqualified supremacy in the field of public order was in one sense the undoing of the Romans. Protection can only liberate business enterprise, and creates nothing but the rules under which human energy expresses itself. Carry those rules too far and they may throttle what they were devised to protect. Roman discipline reached a point where no sphere was left for individual initiative. Very little scientific or technical progress was made. Industrial processes and tools remained about where the Hellenistic age had left them, and many sciences actually lost ground. Even the implements of war were substantially unchanged, Rome's military supremacy resting upon discipline — that is, upon personnel organization. The German tribesmen had little difficulty in arming themselves as well as the Romans. When

the latter had taken the final step of training Germans instead of their own people for soldiers, the end was near.

To the student of economics it is an impressive fact that the producing classes had gradually withdrawn their support from a system which no longer gave them a surplus with which to pay its exactions for maintenance. Officialdom had become a parasite upon non-officialdom, the privileged few upon the non-privileged many, and town upon country. Like every other economic burden, that of maintaining this system rested in the end upon the producer, who was mulcted of the product of his hand and brain. Taxation had ceased to be a device for paying the expenses of government and become a vast instrument for the arbitrary distribution of wealth. So far in human experience, it has been impossible to get people to create much wealth for arbitrary distribution.

When the Roman Empire withdrew to Constantinople it left a fourth of Europe with the vestiges of a great legal system, with a memory of sumptuous and orderly life, with a Church and a language which, working together, were to provide a basis for intercourse and coöperation far beyond what would have been possible otherwise. There is no doubt that some craft skill had been permanently transmitted to western Europe. In spite of the great disorder to follow, it is impossible to believe that Roman pioneering in agriculture was entirely lost, or that the introduction of Near-Eastern business methods and ideas into western Europe was quite without permanent effects.

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CHAPTER III

MEDITERRANEAN EUROPE DURING THE MIDDLE AGES

MEANING OF "MIDDLE AGES"

If not permitted to use any dates, the ordinary person of some education will usually give a fairly acceptable definition of "middle ages." The middle ages, or mediæval times, was the period in western European history after the disintegration of the Roman administration and its accompanying economic institutions. This period lasted about a thousand years. After the definite retirement from Rome to Constantinople, there remained in the West no central government worthy of the name. With this process of shrinkage eastward out of the main part of Europe had gone a drying-up of commerce between regions in the part of the Empire thus cut off, due largely to want of protection and regulation. Each community now fended for itself as far as it was able. In this situation there was no great need for a stable and unified currency, even if a central government had existed to maintain such a system. The whole process of decay went together, with first one factor and then another most prominent. Without the vanished commercial and monetary system, paid armies and administrative staffs practically disappeared. The expensive Roman road system had been maintained for military and political as well as commercial purposes. It now disintegrated and fell into disuse. Many of the marketing centers had grown up around the great camps, and therefore went the way of the army and the roads in the general break-up.

There could now be relatively little exchange particularly of the heavier, less valuable commodities of everyday life except over extremely short distances. All central and western Europe was in somewhat the same situation as the eastern

Mediterranean had been at the period when the Phœnician and early Greek trading communities had gained such an astonishing ascendancy, with very small means. The great days of the Phœnicians and Greeks had come during a sort of twilight of empire, after the decline of old Egypt and Babylon, and before the newer type of great state, which led from Persia through the Hellenistic period following Alexander and culminated in Rome, had found its stride. Likewise, after that imposing fabric of empire had been withdrawn from the heart of Europe to its native Near East, a new hey-day of the *commercial city-state* arrived. This time the chain of trading towns (with such manufacturing industry as their commerce positively dictated) spread from the Mediterranean over the passes and along the waterways into the very corners of northern Europe. The economic and social similarity of the towns of these two periods long escaped notice because historians were so taken up with their more divergent artistic and intellectual life.

All but a small percentage of the inhabitants of mediæval western Europe lived in agricultural villages which produced practically everything they used and very little that they did not use. Especially in the earlier period and the northern part, a large majority of the towns of Christian western Europe drew most of their living from the surrounding country, and could enjoy very little more than the kind of living the locality provided. There was more genuine town life in the southern part, nearer highly civilized Constantinople and the Saracen states (including Moorish Spain), which inherited much the same ancient culture.

Strangest of all to the modern student, suddenly set down in the midst of a typical mediæval society, would be the labor system. Much of the coinage, like most of the trade, was local. Money was far less important in exchanges of things made chiefly for immediate use, not for sale. In such a situation wages also played a minor rôle. The division of labor was worked out on a basis not so much of payments as of personal obligations and privileges, according to social class.

Even in the vast agricultural society of central and northern Europe at this period, there were certain necessities which could not be produced locally. Some trade between widely separated regions being indispensable, it was always maintained. Transportation was so precarious and expensive, however, that there was more than the usual incentive to produce goods as near as possible to the place where they were in demand. Thus to a peculiar degree "commerce dominated industry in the middle ages," as Giry so aptly and accurately put it. Lest this important point be imperfectly grasped, let us summarize it briefly:

The absence of large territorial units with well-organized protection, administration, and monetary systems reduced inter-regional exchanges very nearly to what was absolutely essential. The importance of this commerce and the want of competition from larger and better organized units left the trading town in an exceedingly strong position, especially in the Mediterranean. As this commerce grew, which it did, the towns supplemented it more and more by manufacturing industry. In general, however, only such goods as were already specifically in demand were thus produced.

Whenever and wherever this "economic localism," modified by some trade which was in turn modified by some manufacturing, passed away, the situation was no longer typically "mediæval." The fact that this took place very gradually, and at different times in different regions, is what makes it impossible to lay down definite dates for the beginning and end of the "middle ages."

Again, we have a fairly definite idea of what we mean by "modern times," and of the series of related changes which ushered in the period — thereby closing the mediæval one, of course. By about 1500, let us say, inter-regional exchanges of goods had reached a considerable volume, and transactions based on money payments were obviously replacing the older economy based on social classes and personal obligations. Strong central governments had developed, with paid administrative staffs and armies. The new firearms were rap-

idly undermining the authority of the old noble fighting class of the middle ages. Printed books were becoming general. They were to make really popular education possible for the first time in human history, to enable really large groups to have common thoughts and feelings and to express a common will. America and the all-sea route to the East Indies had been discovered, and the Atlantic seaboard peoples of Europe were assuming the definite leadership which was more and more to characterize modern times.

It will be noted that this simple definition of the middle ages, in terms of what, when, and where they were, means that Constantinople and the Empire of which it was the capital never passed through any real mediæval period at all. In fact, the newer or "Eastern Roman" Empire, as it is often called, recovered from the amputation of most of its western European territories and enjoyed centuries of prosperity. Though it was not itself mediæval in any logical sense of the term, it is taken up briefly in this chapter because of its profound effects upon those parts of Europe which did have a "middle age." Spain is another very special case. After about two centuries (roughly the sixth and seventh), under the Germanic West Goths, it was captured by the Moslems, who founded a very high type of civilization copied after that of the Saracens of the eastern Mediterranean region, to be mentioned in more detail below.

The Roman organization in western Europe disintegrated very gradually, and the process was complete in some regions long before it was in others. Rome had never held as much as a third of the continent of Europe. The peoples which held the remainder detached her provinces one at a time — usually after long periods of infiltration and, in many cases, of the revival of half-submerged North European institutions within the Empire. To avoid the logical absurdity of giving any one date for a process so long, gradual, and complicated, let us simply remember that the decay of the Empire was very obvious by 271 A.D., when Dacia (the present Rumanian lands) was lost to Germanic tribes, and arrested in the East,

but practically complete in the West by 568 A.D., when the German Lombards settled down in northern Italy to stay.

One extremely important fact to remember about the early middle ages is the disappearance of the Rhine and Danube boundaries between the one fourth of Europe which had been Romanized and the three fourths which had not. Henceforward, Germanic and Slavic peoples were to be integral parts of European society. Any lines we may draw between "mediæval France" and "mediæval Germany" are largely imaginary, projected backward from modern times. They mean particularly little in respect of economic institutions. The real distinction here is between southern and northern Europe — the one near and the other far from Constantinople and the Saracens.

The Germanic tribesmen who actually settled in the former imperial territories were probably greatly outnumbered by the survivors from the Roman period. In any attempt to estimate the relative influence of the two upon the new institutions which presently took shape, however, it should be remembered that the Germans were the ruling element. Moreover, the destruction of the old order must have been fairly thorough — we have a good many fragments of contemporary description, and they are quite convincing. This applies particularly to northern Gaul and to Britain, where it is probably safe to say that we cannot *prove* a single case of the continuity of a Roman institution.

It will be the task of the remainder of this chapter to indicate how the scattered embers of ancient economic life were fanned again into flame in southern Europe and replenished by Byzantines and Saracens, and how this material culture was spread northward. In thinking of southern European towns, we must always remember the vast agricultural hinterland of northern Europe, enormously widened since Roman times by the fusion of races and the disappearance of the old imperial frontiers.

CONSTANTINOPLE

The new Rome on the Bosphorus inherited many of the defects of the old, such as bread and circuses for the rabble in the capital and heavy expenditures for unproductive public works. Both army and navy had to be large. In spite of them, the Balkan Peninsula was overrun by Slavs. The administration and army were too bureaucratic, too thoroughly separated from the people. Still, Byzantine civilization would have seemed less utterly strange to us than the truly mediæval order of most of Europe. There was an orderly central government, an adequate and standardized gold coinage, a banking system. Law and property institutions were on the Roman model, not fundamentally different from our own. Manufacturing and trade flourished, including foreign trade.

Justinian's reign (527-565 A.D.) marks the beginning of an upward turn in the fortunes of the newer Empire, though the reconquest of Italy and the old province of Africa was merely temporary. The Roman law was re-codified, all the imperial statutes down to 528 being collected and so arranged as to eliminate repetitions and contradictions. A digest was then made of the vast Roman legal literature, three millions of lines being reduced to about a hundred and fifty thousand. New laws were passed to fill obvious gaps and a brief textbook, the *Institutes*, prepared for law students. This *Body of Civil Law* (*Corpus Iuris Civilis*) was to prove as important in shaping western European institutions as it was in the Eastern Empire itself. Various partially Latinized German codes were used in the West for a time, alongside more or less garbled versions of the Roman law. Sometimes the two were mixed — particularly through Roman additions to the inadequate Germanic codes. By 1100, the Justinian Code had reappeared in Italy, from whence it spread over western Europe through the universities and became the basis of late mediæval and modern law. It is no accident that our modern attitude toward property and contractual relations is fundamentally Roman, not Germanic.

Besides trying to fight back Germans, Slavs, and others on his frontiers, Justinian launched a campaign of economy, retrenchment, and order in public expenditures. He stopped free circuses and the free distribution of grain at public expense, cut down pensions, and organized an efficient police system which stopped the disgraceful mob terrorizing of the capital and other large cities. His great public works are well known, especially the church of Saint Sophia in Constantinople (now a mosque).

The capital city had about a million inhabitants at a time when Rome had shrunk to a few thousands and town life in western Europe generally had almost disappeared. Though Gaul was ruled by Germanic Franks, its commerce was largely in the hands of merchants of the Eastern Empire, who had trading stations at Marseilles, Bordeaux, Orleans, and Chappes (near modern Troyes). Trade between the Eastern Empire and Gothic Spain went on by way of Barcelona and Cartagena. The money of Constantinople was the standard of the Mediterranean world, and was copied where it was not used. The Egyptian grain trade, which had once been Rome's, now flowed to Constantinople, Antioch, and other ports of the eastern Mediterranean. One great handicap to commerce was the presence of the New Persian Empire, which cut off Constantinople from the raw silk of the Orient and attempted to monopolize this trade for itself. Justinian's attempts to trade with China by way of the Nile, Ethiopia, and India or Ceylon were as unsuccessful as his wars with Persia. Another attempt to establish a trade route to China by caravan from Cherson on the Black Sea right through Asia came to grief — probably because of the expense of the long land journey and the unsettled conditions in Central Asia. Silk-worms were finally brought from China, and a thriving silk industry grew up in Greece, Syria, and other parts of the Empire. Intensive agriculture reached a very high state of perfection.

The Balkan Peninsula was largely re-colonized. In addition to the Slavic, Bulgarian, and other invaders who, having

no national organization of their own as yet, submitted to the Emperor, large numbers of other colonists were settled in the peninsula by the Constantinople Government. Included among these were Semites, Arabs, Egyptians, Armenians, Persians, and Circassians, besides the usual imperial soldiers. The dominant strain was Slavic. Thus Macedonia was called "Slovenia," and a tenth-century Emperor records that Morea (Peloponnesus) had been completely slavonized. The colonists and invaders adopted the Orthodox religion (Greek Catholicism) and came under the Byzantine economic régime. A high civilization flourished once more in this region after about the tenth century, but it was far from being purely Greek or Roman.

Between 630 and 875 A.D., a new Arabian Empire, launched by Mohammed, cut off Egypt, wiped out Persia, and reduced the Asiatic holdings of Constantinople to Asia Minor. The Saracen capital, Bagdad on the Tigris, came to rival the city on the Bosphorus. These two states were incomparably more highly developed, as to both economic life and general culture, than anything in Christian western Europe at the time.

Both the Byzantines and the Saracens were on the decline politically by the eleventh century. The eve of the crusades was at hand, when the Near East was once again to teach the semi-barbarians of the West a more civilized mode of life. The Greeks and Arabs traded with each other, and both tapped the resources of China and the East Indies. Besides the showier silks and jewels, spices, grains, metals, and furs were objects of commerce. Luxuries were sent to and through what is now Russia, not only for grain and other commodities, but also for the much-prized slaves of northern Europe.

All the crafts of antiquity, together with some new ones, flourished at Constantinople. Great silk manufactories worked up the product of Syria and Greece. Besides the thousands of craftsmen making articles of luxury which would first strike the eye of the European observer, there were the makers of solider textiles, metal tools, weapons, and other wares. Money economy was a matter of course. The

bankers were organized into a powerful gild — practically a corporation. Economic life was founded solidly on industry as well as on commerce. The state hoard in 840 A.D. was recorded as \$27,000,000. By the eleventh century, the annual revenue had reached close to a half billion of dollars.

Byzantine gild organization was so similar to that of the Italian cities engaged in eastern trade that it requires only passing reference. We see practically the same hierarchy of commercial and craft groups, with the financial, commercial, and legal people at the top, followed by the larger-scale industries, and the craftsmen, in the stricter, narrower sense, at the bottom. The significant difference lay in the presence of a powerful central government at Constantinople, capable of conferring wider monopolies, privileges, and exemptions, of enforcing a larger, more sweeping body of regulations than was the case in the Italian towns. This had the disadvantages of greater rigidity and the burden of maintaining a larger body of official bureaucrats, entailing much graft and corruption.

The fraternal aspects of gild life were much the same as in the Italian cities later on, and need not be discussed in detail here. The same may be said for the rigid system of apprenticeship in the crafts. Production, prices, and methods of work were so meticulously regulated as to leave little room for individual initiative.

“Gild,” it may be remarked here, is a very loose term which has been applied to various associations of people for trading, industrial, professional, religious, and other social purposes in widely separated times and places. Such associations of persons for some common purpose are found among nearly all peoples which have outgrown a grouping purely by blood relationship and have not yet hit upon the more artificial and impersonal types of economic organization. The amount of political supervision naturally varies widely with the nature of the central government, the activities of the gilds concerned, and the traditions of the people who belong to them. The Norse Varangians from Scandinavia had a sort of arti-

ficial brotherhood very early. They were trading with Byzantines and Persians at least as early as the ninth century, and probably much earlier. Whether they independently developed the associations which appear later in northern Europe as merchant guilds, as necessary measures to carry on their trading operations, or whether they borrowed ideas from the highly civilized Near-Eastern peoples with whom they traded, is a question which can probably never be settled, since they did not leave written records. Just how much direct influence Near-Eastern traders had upon gild institutions in Italy, and both upon those of Northwestern Europe, is another interesting but very likely insoluble historical problem.

Even in the absence of convincing proof, we can hardly escape the surmise that the typical associations for economic purposes, as we see them full grown in western Europe a little later, had a multiple origin. Besides Norman institutions, on the one hand, and those of the economically developed eastern Mediterranean lands on the other, two other possible sources of western European mediæval guilds should make us cautious about adopting any simple historical explanation. The first, and perhaps the least important, of these is the remnant of Roman organization in western Europe itself. Much more vital, as well as more difficult to trace, must have been the exigencies of actual trade in a frontier country like northern Europe, where Greeks, Syrians, Arabs, Jews, Italians, and native merchants had to use their ingenuity in solving the practical problems of trading with each other or organizing the industries which lie back of commerce.

Constantinople's long supremacy obviously lay in the production or forwarding to Europe of luxury goods and in its favorable situation for commerce. This trade was largely in hands of foreign merchants, who lived in special quarters and enjoyed great privileges under government supervision. Among these were Amalfians, Venetians, Genoese, and other Italians, who were destined eventually to transfer much of the profitable trade between the East and Europe to their

home cities. Syrians and various Semites were the great foreign traders from the imperial lands themselves. These people were little attached to the Empire, and freely migrated westward and northwestward when the move offered commercial advantages. Thus Syrians and Jews from the Near East were the pioneers in finance in the Italian towns.

The highly perfected Byzantine nautical code and system of protection against pirates were copied by Italian towns such as Amalfi and Trani. Looking backward, we can see a sure though gradual shift of commercial leadership from the Byzantine Empire to Italy.

What has been written of Constantinople applies generally to the Saracens, who introduced paper from the borders of China, and the compass from China itself, and who made the finest steel in the world at the time. This Near-Eastern culture is of great interest, because it was conveyed to the western Europeans by the crusaders at a time when it was on the verge of extinction by the arrival of new hordes from Central Asia and by old internal quarrels. In fact, the temporary success of the first "crusade" (1096—) in capturing Antioch and Jerusalem was due to a three-cornered war among the Moslems which left the territory practically undefended. The presence of an outpost of Saracen civilization in Spain (to be discussed later) makes it unnecessary to go into details here concerning the homeland, since the two were similar.

The Byzantine Empire never recovered from the sack of Constantinople by Venetians and crusaders in 1204 and the succeeding half-century of Latin occupation. The bulk of its commerce went to rising Venice, though Genoa captured some of it later. The Tartars overran Russia in the same century, further crippling Byzantine trade with the East and North. The same people (called Mongols in Asia) took and practically destroyed Bagdad in 1258. A group of Seljuk Turks in the heart of Asia Minor and another of Ottomans next to Constantinople, both rivals of the Byzantines, were overwhelmed and almost wiped out for the time being in a new Mongol onslaught led by Tamurlane in 1402. This practically com-

pleted the devastation of western Asia and made trade along the old oriental routes increasingly difficult. Still, western Europe had had three centuries or more in which to make good its contacts with the higher civilizations in the East and to study their ways. The Ottomans captured the crippled remnant of the old Greek Empire at Constantinople in 1453, but it had been a mere shadow since the disaster of 1204, when commercial leadership in the Mediterranean and Black Seas had passed to the Italian towns.

The great economic contributions of Constantinople to the west can be briefly summed up. Italian prosperity was founded on a fabric of trade with the East which the Byzantines had maintained and enormously enlarged, deliberately extending it into the farthest corners of Europe. The import trade from the East in the Italian towns was at first rather export trade by Byzantine firms. Later many merchants and financiers, particularly Jews and Syrians, emigrated to Italy with their knowledge of business and their fortunes. Sound money, based on the gold Byzant, furnished a model for the later florins, ducats, and gulden of the West. Business paper, such as the bill of exchange and letter of credit, was used in trade with Italy, where it became established and was transmitted northward by Italian bankers through the medium of fairs, markets, and port trading stations. Amalfi and the other southern Italian towns were the children of Byzantium, in its own territory. In close contact with Constantinople, with which city she enjoyed special trade privileges, Venice overshadowed Ravenna near by — developed from a fishing village into the "Queen of the Adriatic" and the great commercial empire of late mediæval Europe. The Byzantine influence upon Genoa and other North Italian towns was hardly less.

SPAIN

Early in the eighth century, the Arabs and their more numerous North African allies displaced the turbulent Visigothic rulers of Spain. Very likely the conquerors were

aided by the defeated faction in a recent civil war and by the persecuted Jews, who correctly surmised that they would be more tolerantly treated by the Moslems. The Moorish conquerors of Spain displayed very little religious ¹ fanaticism and set about acquiring the culture of their Moslem brethren of the ancient Near East. The best agricultural practices of the time were transplanted to Spain. Irrigation was developed in Granada, Murcia, and Valencia. Rice and sugar were introduced from the East. Stock-raising, mining, and manufacturing were developed. Trading with the Moslem East and the Byzantine Empire, they brought to the West eastern architecture, science, mathematics, medicine, and commercial knowledge. It seems to have been through them that the Arabic notation, including the use of the cipher, came to Europe.

Moslem Spain, as Professor Davis suggests, "could perhaps claim to be the best governed and most civilized country in western Europe, during all that distressing period which followed the break-up of Charlemagne's Empire." In an age when religious intolerance tended to shut the world up into compartments, the Spanish Moslems followed the opposite policy. Their rulers intermarried with those of southern France and their culture was pushed northward beyond their frontiers. Cordoba grew into a great center of Jewish learning. Christian priests were allowed to travel abroad. Foreign visitors came and went freely (for those times), sowing the seeds of Arabian scientific knowledge throughout a Europe not any too open-minded or receptive. Much which astonishes modern students of Roger Bacon's observations about science had long been commonplace in Spain, and was known to a great many other Europeans of the thirteenth century through the same source.

The State was supported by export and import duties, which indicates a large, well-organized commerce. Seville was the great seaport. Cordoba is represented by one writer

¹ Becker, Charles: *Christianity and Islam*. The Arabs do not appear to have been intolerant until the crusades.

as a city of two hundred thousand houses, six hundred mosques, and nine hundred bath-houses, besides great palaces and public buildings. Its great mosque, with nearly thirteen hundred columns of porphyry and jasper, was one of the wonders of Europe. At a period when Christian Europe was scraping off priceless classics to get parchment for recording childish chronicles in bad Latin, the Moors were manufacturing paper and writing scholarly commentaries upon the works of Aristotle and other Greek thinkers.

The gradual reconquest of Spain from the north by the more European elements was not completed until 1492 — the time usually given as the close of the “middle ages.” It was of the nature of a series of crusades, necessarily accompanied by some destruction, feudalization, and militarization. Persecutions multiplied, until eventually both Jews and Moors were expelled. The crusaders absorbed much of the civilization of those they were trying to displace, as well as a great deal of the population itself. City life and economic activities in northeastern Spain were substantially the same as in southern France and Italy.

It was hardly an accident that the Iberian Peninsula, for so many centuries the home of freedom of thought, enterprise, and scientific inquiry, began the modern period as the leader in exploration, colonization, and overseas trade. The early loss of that preëminence was certainly due in no small measure to repudiation of the policies on which it had been founded.

ITALY

Southern Italy and Sicily continued under the rule of Constantinople after the Lombards had descended into the northern part of the peninsula in 568. Sicily was conquered by the Moslems between 827 and 902, but the attempt to add southern Italy to the Arabian world finally failed. It remained at least nominally Byzantine until the end of the eleventh century, when both it and Sicily were overrun by the Normans.

Greek continued to be spoken in southern Italy, and the

immigration of learned Greeks from Constantinople revitalized its civilization long before the period which has been known, rather inaccurately, as the "Renaissance." Next to Spain, Arab Sicily was the great source of mediæval European science and learning. The Jews were particularly active in the transmission of Arabian culture northward. This applies especially to medicine. More to the point for the student of economics, Greek Amalfi, south of Naples, was the great port where East and West met in the early middle ages.

Amalfi and Venice carried European slaves to Constantinople. Amalfian ships also visited Egypt, Syria, and Greece. Early in the eleventh century, the leadership of Amalfi was so outstanding that the laws of commercial navigation formulated by its legal schools on the basis of the Byzantine code were accepted throughout the Mediterranean. This pre-eminence was soon lost through the rise of Pisa, Genoa, and Venice. Pisa in its turn was overshadowed by Genoa and Florence. While Florence and Milan carried on extensive commerce, both were primarily industrial rather than trading places.

CITY VS. COUNTRY IN ITALY

The Germanic invaders were agriculturists, not town dwellers; but they did not sweep away city life in Italy, as their cousins did in the provinces of northwestern Europe. Southern Italy was not reached by the Lombards. Milan, an important city in Roman times, became a rallying-point for the beleaguered natives, was fortified and held out. Genoa is another classical town which continued to exist. Venice was founded during the disorders of the fifth century, by townspeople from the mainland. There were a great many others, but these may be taken as characteristic.

The survival of some Mediterranean towns and the gradual founding or revival of others was possible because of continued contact by sea with the civilized East. The new arrivals — the "barbarians" — were less overwhelming in numbers than in the north. Detached from their old homes, under new

and strange conditions, and in the presence of older inhabitants with an attractive civilization, these invaders did not cling very tenaciously to their customs.

Italy's case was peculiar in other ways. As the Roman Empire grew weaker, the rising Church took over more and more of the functions of government. The heretical West Goths were expelled by Justinian's troops in the sixth century. Their successors, the Lombards, were subdued by the Franks at the Pope's request in the eighth century. About the same time the Emperor at Constantinople, being taunted by the Moslems with idolatry because of the images in Christian churches, tried to eliminate the offending pieces by decree. The Roman Pontiff resisted, and the "iconoclastic controversy" which ensued was the occasion for an alliance of the Popes with the Frankish Kings Pepin and Charlemagne for protection against the Lombards. Charlemagne was actually named "Emperor" in 800. This meant two emperors, one in the East and the other equally far from Italy across the Alps.

In the year 799, Pope Leo III was expelled by the citizens of Rome. During the next two centuries, repeated cases of friction between bishops and townsmen occurred in northern Italy. The struggle for municipal autonomy became a general revolt against clerical and feudal authority, which, particularly in the eleventh century, spread over all northern Italy and into France, where it worked northward. Though the Popes eventually held the city of Rome, the commercial and industrial towns shook themselves almost entirely free from the conflicting authority of the Church and the two empires. The task of the communes was still further simplified by the separation of the Frankish State into two rival parts, later to become France and Germany — and at times there were many more than two. Much turbulence accompanied the early, popular, "democratic" phase of the communal revolt.

For a time the situation was exceedingly muddled and obscure. There was a determined attempt on the part of the

great landowners to make feudalism dominant. That this did not succeed gives us one of the sharpest distinctions between North European and South European mediæval institutions. Dominated by a landed aristocracy, the North formed itself into local, largely self-sufficient units which resisted the intrusion of Byzantine and Arabian influences and eventually developed a social order radically different from that of classic times. In Italy, the towns took the lead. Eventually, a new commercial aristocracy was able to play nobles, clergy, kings, and commoners against each other and to seize the real power for itself. This took place in Venice in 976, in Milan slightly later, spreading to Cremona, Bologna, Pavia, and Genoa.

Feudalism, a factor which we shall have to deal with from this point, is hard to define in economic terms. It presupposes a weak central government, a civilization predominantly agricultural, a situation in which military activities are unusually important, and relatively little of the economic specialization of persons and regions which emphasizes money economy. Even to pay armies and administrative officers in such a system, recourse is had to personal rather than pecuniary relations. The lord who wishes to maintain an army and court must hold his assistants to him by vassalage. That is, he makes his vassal do him *homage* — take an oath to support him in case of war with so many properly armed and trained professional soldiers for a given number of days per year. A grant of land called a “fief” is made to the vassal to enable him to maintain the necessary military establishment.

These fiefs (which sometimes consist of revenues and other grants besides land) are not “owned” (as we use the term) by the vassals. Where ownership as we understand it is general, feudalism cannot exist. When the vassal dies, the fief normally remains in his family; but the new vassal must usually pay a fine or relief as a token of renewal of the personal obligations for which the grant was made. Some money always circulates, even in a feudal society. If the growth of

trade favors this type of transaction, as it did in Europe, the reliefs and other fines or dues tend to get larger and take on the character of taxes. But this means the gravitation toward a pecuniary rather than a personal system of public relations, and hence the gradual disappearance of feudalism itself. While the typical feudal service is fighting, vassals must also be called upon for administrative and judicial duties, since the financial basis is wanting to organize a government on the salaried basis familiar to us.

Feudalism never took very deep root in Italy for the obvious reasons that there was too much trade (foreign and domestic), too much industry and town life, too much use of money. The units of a feudal system are perforce rather small and thinly populated because of its essentially agricultural character, the impossibility of an organization at once large and well-knit without considerable use of money, and the necessity for relative local self-sufficiency where the economic and financial basis for wide exchange of products is wanting.

The persistence of Roman legal ideas in the trading and industrial towns, emphasizing contractual and pecuniary relations, made true feudalism, such as we shall presently examine in northern Europe, doubly difficult in Italy. Eastern luxuries were never forgotten. They could be obtained only through foreign trade. Such trade cannot be feudalized. Instead of scattering out on country estates or manors, the Italian nobility tended to collect in the towns, where the wealth and luxury were concentrated. Thus it came about that even the hereditary aristocracy interested itself in the urban sources of wealth — particularly foreign trade — and that Italian upper-class life was more like that of Constantinople and the cultured East than that of agricultural northern Europe.

ITALY AND NORTHERN EUROPE

Not only the trickle of oriental goods which Italy transhipped to northern Europe throughout the middle ages, but

also the all-pervasive Church organization tended to introduce this ancient heritage of economic life little by little into such regions as northern France, the Netherlands, Germany, and England, where Teutonic institutions at first predominated. Papal taxes came from those far regions to Rome. Northern Europeans came to Italy because the Church Government centered there. Bishops and great lay lords of the North knew something of southern luxuries, wanted them, and imported them to some extent. Both the importations and the papal taxes involved the use of some money in the North. The desire for southern goods, the papal fiscal system, and the sweet memory of Roman centralization impelled northern rulers to introduce money and trade as rapidly as possible.

Southern France, which was much like Italy, deeply influenced northern France, particularly after the rise of the monarchy at the end of the tenth century. At the same period Germany got into close touch with Italy through the attempt to reëstablish the Western Empire — now called the “Holy Roman Empire” — this time with a German head. William the Conqueror went from northern France to become King of England in the eleventh century — actually taking Jews to that country in the hope of building up a type of economic life which could be made to yield revenue.

THE ITALIAN TOWNS AND THE CRUSADES

The part played by the Italian cities in the economic evolution of Europe is best seen after their functions had been stimulated and multiplied by the crusading movement. That they played much the same rôle long before 1096 is evident enough, but the earlier situation lacks the sharp outlines and obvious trends which lend themselves to brief treatment.

The roving groups of Germanic peoples which had so disturbed European economic life between the fourth and eleventh centuries had often carried their families and possessions with them. In some cases they had been numerous enough to settle down and dominate the affairs of considerable terri-

tories. The objective of practically all of them had been the Mediterranean shores, where the climate and mode of life had the lure of a promised land.

Among the most important of these groups were the Franks. Checked by the Arabian advance into Spain and Sicily, by the consolidation of the papal power in Italy and by fear of the Emperor at Constantinople, they were obliged to spread out over northern Europe. By Charlemagne's death (814 A.D.), they had beaten the Lombards of northern Italy, but made an arrangement with the Pope which left him very strong politically, so that the seat of the new Frankish Empire was at Aachen (Aix-la-Chapelle), far north of the Alps in what was later to become Germany.

This Frankish Empire soon split up, the western part being thrown into fearful disorder by the onslaughts of a new Teutonic people, the Northmen. Thus it was the eastern or German (least Latinized) part which next tried to dominate Italy, the German King Otto being named "Emperor" by the Pope in 962. When the crusading movement started a little over a century later, a fierce struggle had already begun to determine whether the German Emperor, the Pope, or the Italian cities themselves should control the peninsula. These cities, with their active commerce and considerable industries, were already taking a pretty heavy toll from northern Europe as commercial middlemen, forwarding oriental goods. The Papal revenues likewise tended to build up Italy at the expense of her northern neighbors. To the German Emperor the Italian trading towns seemed a promising source of revenue and power. Germany, which had hardly been touched by the Northmen, had so far largely escaped the minute subdivision into feudal units which had overtaken France as a result of the Norse invasions. Nevertheless, the renewed disorders had left all northern Europe swarming with soldiery, for which the need had declined. The noble warriors thus had little to do except devastate the country in neighborhood wars, engage in brawls and violent games such as jousts and tournaments, and live off the land like a cloud of locusts.

The German Emperors had not yet given up the idea of a strong central government on the Roman pattern. Much time was to elapse before they embraced French feudalism, with its hierarchy of smaller units and its looser form of organization. Hence the German idea of organizing the Italian towns within the Empire was to put them under imperial officers, though the actual attempt was not made until crusading times. Both the Italian townsmen and the Pope hotly resented any direct interference by North Europeans with their more highly developed economic and civil institutions.

At this period the Pope was a great political figure, as well as the spiritual arbiter of Europe. A large fraction of the land of Europe was in the hands of the Church. Aside from the direct German military menace to Italy, the Roman Pontiff was in difficulties over the administration of the Church estates in northern Europe. The kings, particularly in Germany, insisted on appointing the abbots and bishops, since most of them were feudal vassals of the lay rulers as well as administrative heads and religious leaders under the Pope. In the compromise (Concordat of Worms, 1122) whereby this matter was settled, the Emperors got rather the best of it. The Pope admitted the imperial contention that bishops and abbots in Germany must be satisfactory to the Emperor, as personal units in his economic and political system. They had to be elected in his presence and invested by him with their lay prerogatives *before* consecration.

In the meantime Pope Urban II had conceived the brilliant idea of turning the menacing North European soldiers directly against the Moslems of Palestine, Syria, northern Africa, and Spain. This would furnish an outlet for their religious zeal and warlike spirit, the love of adventure, and desire to reach the sumptuous southland.

The crusading movement, preached in 1095 and begun the next year, was badly managed on the whole. It was terrifically costly in human life, and (except in Spain) failed eventually of all the direct purposes for which it had been launched.

For nearly two centuries a tide of humanity, swelled by occasional larger waves which we distinguish as separate "crusades," swept southeastward across Europe into the Near East. We can only guess at the number — perhaps a million or more. They butchered their fellow beings and were butchered by them in Germany, Hungary, the Balkans, and western Asia (and Spain and northern Africa). They were enslaved, died of pestilence, were turned aside into purely military and commercial ventures like the war in Sicily and the capture of Constantinople from their fellow Christians. Some of them actually held all or parts of the Holy Lands for brief periods, setting up feudal governments there.

Never has there been a more striking example of Bossuet's remark that "men do other than they intend." The crusaders did not hold the Holy Land, convert the infidels, or permanently strengthen the Papacy; but they revolutionized European life. What temporary military success they enjoyed was due to divisions among the Moslems. By overturning the Byzantine Empire they weakened the final outpost of Christianity against Islam. Yet the crusading movement was one of the most fortunate things in history. It introduced much of the best in Near-Eastern civilization into Europe, scattering and popularizing it there, before a new series of devastating invasions set in from Central Asia which might have made the transplantation forever impossible.

The great commercial beneficiary was Venice. A fleet from Genoa and Pisa accompanied the first crusade. Later the Venetians fought the Pisans, seized the lion's share of the passenger traffic and the vast enterprise of forwarding supplies to Palestine, and in return for their services demanded a market for themselves in every town captured. They appropriated the fourth crusade in 1203 and turned its energies first against the (Christian) Hungarians in Zara, then directly against their great commercial rivals, the Greek Christians at Constantinople. The city was captured and a "Latin Empire" set up which lasted until 1261, when the

Greeks recaptured it, aided by the Genoese. Venice avoided responsibility for the government of this empire, but was careful to secure the Black Sea trade.

Venice, Genoa, Pisa, and other Italian towns profited not only by securing a virtual monopoly of the trade from Asia, but the crusades also rendered this commerce immensely valuable. The North Europeans discovered the comforts of civilization through contact with the Saracens. They became accustomed to shaving and bathing; to fine, soft cloths of rich colors, luxurious furniture, carpets and hangings, spiced food, and jewels.

VENICE AT THE END OF THE CRUSADES

In northern Italy generally, the popular phase of the communal revolt was practically over by the beginning of the crusades. Bishops had been replaced by elective "consuls" as executive heads of the governments. Besides the former great vassals and their sub-vassals, groups of ordinary citizens — descendants of the freemen who had helped form the original communes — had the franchise. The total number of voters, of all three classes, was a small fraction of the total population in most towns. They alone chose the consuls — ordinarily once a year. There was usually an advisory council or senate, and in some cases a more popular "Grand Council" of several hundred members. In really critical situations all representation was sometimes abandoned and a *parlamento* or mass meeting held in the public square. These gatherings occasionally resulted in street battles, the factions being made up of groups of noble families or guilds (*arti*) of citizens, or both. Warfare was carried on between cities as well as within them, trade and frontiers being the great sources of rivalry.

Venice stood somewhat apart from the other North Italian towns, being non-Lombard at the outset, outside the Empire of Charlemagne, and in closer touch with Constantinople. She had thus secured special advantages in the Levant trade before the crusades. A charter of 1082 conferred full liberty

to trade in the Byzantine Empire for a hundred years. This commerce brought Venice more and more into competition with Constantinople. The end of the century of special privileges was separated by only twenty-one years from the fourth crusade which degenerated into a commercial war between Venice and Constantinople, ruining the latter and erecting the former into the first maritime power of Europe.

At this time Venice was organized in quite a modern way, except for the narrowness of the franchise. The elected Doge (dictator or president) was held in check by six councilors and a senate. A committee of the assembly or lower house of four hundred and eighty members nominated the Doge, who was then confirmed or elected by the citizens. The system of taxation was elaborate and fairly democratic, the main problems involved being conceived about as they are now. For example, ability to pay taxes was held to be at least as important as ease of collection. Interest-paying municipal bonds were floated. By way of contrast, it might be noted that feudalism was just passing its zenith in northern France at the time, and that Germany, hitherto more centralized, was moving rapidly toward complete feudalization.

The Venetians introduced the silk industry from the Near East, where the Byzantine Emperors had planted it. Silk culture spread over much of Italy, and even into southern France. New dyes came in, and the Europeans caught the knack of fixing colors with alum. Among other transplantations were hemp, flax, and sugar cane. The first sugar industry in Europe was not in Venice, however, but in Sicily, where it was installed in 1239, as a result of Frederick II's cordial relations with the Saracens. Glass-blowing was introduced from Syria and became an important Venetian industry.

Venice's great contribution was commercial rather than industrial. She sent fleets of merchant ships to the Black Sea, Egypt, Aleppo, Asia Minor, and the northern coast of Africa. Here they were loaded with spices, silks, cotton, ivory, and other rare merchandise, for which were traded the

minerals, timber, and textile materials of Europe. The Venetian imports and manufactures went overland to Germany and to the great French fairs, particularly those of the Champagne district in the northeast. Before about 1300, the North European demand did not warrant great permanent markets, so one of the fairs would be held for a few weeks only, after which the traders would move on to another place. It was soon found cheaper and safer to send goods to northern Europe by sea, the Flanders fleet from Venice visiting Spain, Portugal, western France, and England en route.

England, a thinly populated island on the far frontier of civilization, quickly became the great exporter of raw wool much as western America and Australia were to be centuries later. The Flanders fleet then usually divided in the Channel, one part of it going directly to England. Italians (later the Flemish and German *Hanses* as well) set up trading counters or stations, particularly at London. It is a fairly typical case of foreign commercial penetration of a backward country, the traders even being subject to their own laws rather than to the ruder code of the British.

Besides the silk and glass manufactures mentioned above, the Venetians wove woolen and cotton goods, made cloth of gold, and had extensive iron and brass foundries. They not only copied the oriental manufactures themselves, but other Europeans to whom they sold such goods also began to reproduce them. Persian rugs, for example, were imitated as far north as Paris.

As in Constantinople, the Government closely regulated the voyages, but the actual trading was done by individuals, organized into commercial gilds. Since Italy was fast becoming a trading rather than an agricultural country, with its nobility living largely in the towns, large-scale commerce such as importing and exporting was accounted respectable. Even men of noble blood engaged in it. This kind of business required large capital, first-rate directive ability, and a great disciplined force to do the more routine work. Thus

the great commercial guilds of the Italian cities were not democratic in any modern sense, any more than were their prototypes at Constantinople or their still more remote antecedents in the older Rome on the Tiber.

Since the individual traded on his own capital, subject to gild and state regulation, the groups were very nearly what northwestern Europe later knew as "regulated companies." The guilds in the great industries were likewise aristocratic, run by a capitalist-directing class and employing journeymen who were practically day laborers. In fact, the word "journeyman" which we employ originally meant a worker by the day (Fr. *journée*), though its general adoption by English writers may have been in part because it also suggested the "wander-year" (Ger. *Wanderjahr*) of the craftsman who had completed his apprenticeship.

Italian bankers' guilds, serving both commerce and industry, were fully as aristocratic as the ones mentioned above. It is only when we reach the small retail trading and the simpler crafts, requiring little capital or executive oversight, that the sharp distinction between employer and employee disappears and we find the apprentice becoming a journeyman, the journeyman a master.

When traders came to Venice from the "back country" of northern Europe, they were closely watched and regulated. A German merchant must stay at the *Fondaco dei Tedeschi* or German Traders' House. He could not carry arms, was always accompanied by a Venetian inspector, and could trade with nobody but Venetians. His stock must consist solely of goods from Germany or northeastern Europe, and must be completely disposed of in the city, not carried farther. All this and a meticulous system of rules and fees were designed to insure the Venetian monopoly of trade and the profits thereof. It is hardly surprising that western Europeans sought so diligently for a sea route to the Orient.

The Venetian counterpart of the coaling stations which modern commercial nations struggle to control all over the world was a string of safe harbors from the mother city to the

Levant. Among these were the tributary city-republic of Ragusa, a large number of ports on the Greek mainland and islands, and innumerable trading posts and concessions along the eastern Mediterranean and the Black Sea. Ships crept along the coasts in those days. It was perhaps not so much their size as the simple methods of navigation which made it dangerous to venture far from a harbor.¹

THE LOMBARD LEAGUE

In spite of the diversion provided by the crusading expeditions, the German Emperors continued the struggle for possession of the rich Lombard cities, and of the towns further south in Tuscany and central Italy. This led to the formation of a defensive league in 1164 by Venice, Verona, Vicenza, Padua, and Treviso. The confederacy was soon joined by many other members like Milan, Cremona, Mantua, Modena, Bologna, and the new town of Alessandria, founded to guard the one Alpine pass which did not already have a city at its southern end. By the middle of the twelfth century, the study of Roman law had progressed sufficiently to lend a new theoretical strength to the centralizing plans of the "Emperor Ever August of the Romans" — in Germany! The great imperial weakness was in the realm of facts, which corresponded only in the vaguest way with the resurrected theories. Emperor Frederick Barbarossa was decisively beaten in a pitched battle at Legnano, and the towns won their virtual independence in the Peace of Constance (1183).

The Tuscan towns just south of Lombardy — Florence, Pisa, Siena, and Lucca were among the most important — achieved their autonomy about the same time. They had been left to the Church when the Countess died in 1115. The Emperor had claimed, correctly enough, that the bequest was illegal, since fiefs must escheat to their overlord. In point of fact, Italy was not feudal, and the theories had little weight in the end. The long imperial struggle with the Papacy re-

¹ See map at close of Hazlitt's *Venetian Republic*, vol. 1, for the location of these harbors and posts.

sulted in the practical defeat of both parties, the result being a group of virtually independent city-states.

MONEY-CHANGING AND INTEREST

Italian banking and credit institutions were developed under the influence of Constantinople. At first most of the purely financial operations in western Europe were carried on by Jews and Syrians, immigrants from the Levant. This was due largely to the fact that the Western or Roman Church was better able to enforce its prohibition of interest-taking, whereas the Eastern or Greek Church was subservient to a strong central government and could not prevent the legalizing of interest under the civil code. The prejudice of both churches against lending at interest was a survival of the ancient dictum that money in itself is sterile and does not create wealth, reënforced by the fact that much of the actual lending was for unproductive purposes and at exorbitant rates. At the outset the power of the Roman Church over finance, and the determination to classify fees for the use of money or capital as usury, greatly hampered business in the West. In the long run this attitude probably did more good than harm, leading as it did to careful study and much agitation and experiment, with the final result that capital loans for productive purposes at reasonable rates became separated in both theory and practice from actual usury in our sense of the term. As long as the Church remained firm in its general prohibition, most of the money-changing and lending was carried on by Jews and other non-Christian Semites, who were considered to be without hope of salvation anyhow.

The Jews, like the Constantinople Greeks, used the letter of credit and the bill of exchange to avoid the transportation of precious metals, which was especially undesirable in the more turbulent and politically subdivided West. Money-changing was a high and intricate art in days when a multitude of towns and feudal lords could coin pieces of a weight and fineness to suit themselves. The standard gold money was Byzantine and Saracen until about the end of the crusad-

ing period. The *florin* of Florence was first minted in 1252. This gold piece, named after the city flower stamped upon it, quickly became standard. In 1284, Venice began the coinage of gold *ducats* (so-called because of the effigy of the *Doge* or Duke). The cities of northern Europe followed suit with their *gulden* (that is, "gold pieces"). With the growth of powerful monarchies, feudal and ducal currencies were suppressed, royal coins taking their places.

Native Italians were in the meantime steadily encroaching upon Jewish financial supremacy. The Pope could hardly employ infidel Jews to collect his revenues. As early as the twelfth century, the Florentines gained the title of *campsores papæ* or Pope's money-changers. The advantage of handling these sums soon gave Florence a preëminence in finance. Italians from other towns were also employed as papal collectors.

The papal collectors who penetrated the remotest districts of northwestern Europe were not the only carriers of southern ideas about finance. With the groups of Italian merchants which followed the traveling markets or fairs of northern France, Germany, and England always went some money-changers. They were called "Lombard dogs" (*Lombardiæ canes*) after the hard bargains they were supposed to drive; though they hailed from Tuscany quite as often as from Lombardy. The name *Caorsini* was also applied by northern Europeans to money-changers in general. Cahors is a town in southern France, not far from Toulouse. The interchangeable use of the terms "Lombard" and "Caursine" further illustrates what has been noted above, that the commercial development of the Mediterranean region of Europe was roughly uniform. Commerce dominated industry in the middle ages, and the spread of commercial institutions was from the south northward.

While both civil and canon law continued to frown upon "usury," the practices covered by the term underwent a subtle transformation. In the first place, the prohibition was more and more evaded as the amount of capital used pro-

ductively in business increased. Circumvention was easy enough in cases where both parties were agreed upon it. A fee could be deducted at the outset without any record of the fact being made, or, what amounted to the same thing, a fictitious sum might be named in the note so as to include the interest. Sometimes a fine was agreed upon in advance by both parties, ostensibly for failure to repay the entire principal within a given time, though there was no intention to repay at that time. Again, the lender might prove that he had forgone another profitable use of the money, and thus collect damages. In some cases, the advantage of the loan to the borrower was estimated, and he shared the profits with the lender. According to the schoolmen (Church philosophers), this was generally classified as "unjust," on the theory that money does not "breed" of itself, like live stock, but becomes productive only when labor is applied: hence he who applied the labor — the borrower — was entitled to the entire reward. Such estimates became more and more common, nevertheless, tended to become standardized, and amounted in practice to interest rates.

From the thirteenth century on, steady progress was made under the leadership of the great money-changing guilds toward the limitation of the crime of usury to loans for consumption goods or at exorbitant rates. Pope Innocent IV (d. 1254) admitted the legitimacy of a charge for the use of commercial and industrial capital if risk of loss or a sacrifice of gains were involved. During this same century the Papacy took the Italian bankers under its protection, allowing them to use the Church courts and forcing their debtors to pay up under pain of ecclesiastical penalties.¹

¹ The subject of usury and interest is adequately discussed in George O'Brien's *An Essay on Medieval Economic Teaching* (1920), ch. III, sec. 2. While usury was forbidden by the Church as unjust, interest was always allowed. Interest was not a payment for the use of money, however, but an indemnification of a lender for damage suffered because of the loan. Compensation for actual loss (*damnum emergens*) was always considered just; but payment for a profit forgone by the lender (*lucrum cessans*) was viewed with some suspicion. It was at this point that the gradual swing toward including under interest some charges earlier regarded as usurious took place. The admission of payments

This papal lenience with respect to productive capital, so long as the usury laws were not openly flouted, led to the development of many new forms of loans especially adapted to commerce and industry. The tendency was for the Lombards and other Christians to take over the business of lending for production, leaving the smaller-scale personal and pawnbroking loans to the Jews. Commercial interest rates in southern Europe became standardized from the thirteenth century at 10 to 17 per cent. It was a long time before this tendency was felt in more backward northern Europe — the rates in northern France and England were actually raised.

Interest on personal or exceptionally risky loans continued very high — sometimes 60, 80, or even more than 100 per cent, depending upon the circumstances. This kind of lending was left more and more to the Jews as commercial banking developed, with both Church and civil government favoring Christians in the larger and more regularized type of ventures which gradually won full moral sanction.

The passing of Jewish and Syrian leadership in European finance requires more than the usual explanation. These Near-Eastern financiers were settled in colonies in the Italian towns, and were sometimes admitted to citizenship. In Italy there was little prejudice against them on religious grounds before the crusades. Religious hatred and persecution, which have written so many bloody pages into the history of Spain, northern Europe, and the Balkans, were not characteristic of Italy. The amicable dealings of Frederick II of Sicily with the Moslems, in spite of the Papacy, constitute a well-known if not a humorous chapter in mediæval history. The mildness of the papal inquisition as compared, for example, with the Spanish has puzzled many an amateur historian until the thought struck him that the persecutions were primarily for political, not religious, ends. Only gradually, after the ninth

for probable loss of profit as early as the twelfth century (Pope Alexander III) was a long step toward the expansion of the term "interest" and the shrinkage in the cases covered by the term "usury." This change in commercial law and practices was accompanied by a loss of papal control over such matters rather than a shift in the Church's theoretical position.

century, as Professor Thompson has pointed out, did native Italians displace Syrian traders in the Champagne country of northeastern France. How did it all happen?

In the first place, the North European religious exclusiveness, which reached fever heat in the crusades, was transmitted in some measure to Italy. Syrian and Jewish citizens or favored colonists in Italian towns felt constrained to become Italianized, or suffered some disabilities if they did not do so. They became subject to decided disadvantages in northern Europe, with the result that Italian trading guilds tended to send Christians rather than Near-Eastern Semites into this field. On the other hand, the new harvest of business opportunities in the eastern Mediterranean tended to draw the Syrians and Jews, who understood the peoples and languages better, in that direction.

Genoese history furnishes an example of what must have occurred, though perhaps more obscurely, in other communes. About the middle of the twelfth century the five leading Italian families of Genoa, all related to the Visconti, formed a new association to monopolize Near-Eastern commerce. They took into this new group two leaders of the older financial aristocracy — a Syrian, Ribaldo di Seraphia, and a Jew, Blancardo. Naturally enough, di Seraphia and Blancardo looked after the business from the Syrian end, using largely Syrian and Jewish agents to help them. Viewed from the European side, this amicable division of labor gives the appearance of an eclipse of the non-Christian elements which is not strictly borne out by the facts. Blancardo, especially, continued to be a name to conjure with in North Italian business, but it was no longer associated with strictly Jewish enterprise.

In the long run the effect of such association and division of labor was a *relative* Christian supremacy, for the following reasons. European commerce and industry grew faster than Asiatic, the center of the Levant trade moving definitely to Italy in the thirteenth century; but the best Jewish and Syrian brains were placed at the Asiatic or losing end, the

lesser people remaining in Europe to compete with the cream of Christian talents and financial strength in the situation favored by historical circumstances. The ejection of the Jews from Spain at the close of the fifteenth century was a body blow, as they were permitted to carry very little with them. Their disabilities increased as the center of world economic activities moved northward and westward into territories held by more socially and religiously exclusive peoples. The partial modern resurrection of tolerance has restored to the Jews some measure of their former financial eminence.

Such resistance as the Church still opposed to the efforts of business men and lay courts to legalize commercial interest largely broke down during the disastrous period from 1305 to 1414, when the Papal See was first carried off to Avignon in France and then split up into three warring factions. The Italians were particularly incensed at the removal of the Papacy from its traditional seat in Rome. Europe's richest communities not only cut off a large fraction of the papal revenues, but likewise treated clerical pronouncements about economic life with scant courtesy.

Italian gildsmen insisted that money metal, even after coinage, was itself merely a commodity, and that if the use of it brought profit there was no reason why the owner should not get his share. We distinguish between interest as a legitimate payment for the loan of others' purchasing power and the extortion or "usury" which takes advantage of some urgent need of the borrower; but to the papal inquisitor the distinction often meant nothing. One of them reported with horror that a certain Ser Pietro of Siena was not only a usurer, but asserted that money-lending was not a sin, and that the people who held otherwise "did not know what they were talking about" (*nesciunt quid loquantur!*). As early as the thirteenth century, some of the civil laws of Italy began to assume the charging of interest by providing that lenders must be reputable and responsible people, and that rates must not be extortionate. In practice, business people gradually learned to separate payments for the use of money into three

parts: first, *interest* proper — a low and fairly standardized charge; second, a charge for predictable risks, which slowly evolved into *insurance*; and finally the varying risks which the business man must assume, paying himself in *profits*. In this last case the lender inevitably assumed some of the risk, so he charged a higher rate and thus got a share of the profits of the enterprise. Once capital came to be generally used to forward or manufacture goods for profit, as in Italy at the end of the crusades, the regularization of interest was inevitable.

Religious and quasi-religious groups played a rôle in mediæval economic life which the modern student will underestimate unless he bears in mind the enormous political influence of the Church and its unrivaled moral prestige in almost every department of life. The Templars had a large part in the inauguration of international capitalism, though they were soon surpassed by the gilds or companies of merchant-bankers which we shall presently examine. The Benedictine Order rivaled the Jews as pawnbrokers. The Franciscans founded the first of their *montes pietatis* at Orvieto in 1462 for lending money to the poor at reasonable rates. Even to-day, the Parisian *Mont de Piété* or state pawnbroking establishment still preserves the name and some of the traditions of the Franciscan founders. Yet nothing short of removing Jewish economic disabilities could have prevented or cured the usury evil, and Christians were too religiously exclusive to go that far. It was a vicious circle. The Jew was given a sort of scant and precarious tolerance because his type of loan was needed in emergencies. His rates were necessarily high because of the danger of prosecution and confiscation for usury — and he was persecuted because of his high rates.

FLORENCE — INDUSTRIES AND GILDS

Unlike Venice, which was chiefly a commercial forwarder for an overwhelmingly agricultural continent, Florence was fairly typical of the Italian industrial town. Hence its gild organization deserves more detailed mention.

By force and persuasion, the near-by nobles were early in-

duced to abandon their bleak feudal mode of existence and to become a part of the city life. Though little wool was grown in Tuscany, the Florentines built up the manufacture of superior woolens from raw materials of Sardinian, Spanish, French, English, or other foreign origin. Soon the superior craftsmanship of Florentine weavers led to the importation of the crudely woven cloths of northern Europe, to be refinished, dyed, and exported. This enterprise, subsidiary to the wool-weaving craft, was known as the "*Calimala*," after the side street (*calis malus*, or bad street) where its shops were located.

The third important craft (guild, if we look at the organization rather than what it did) to be established was silk-making, introduced from the Orient by Roger of Sicily in 1148. Side by side with these grew up the money-changers' or bankers' guild.

Besides these four, there were three additional "greater guilds" — or, more strictly, gild groups. The *speziali* or apothecaries began with a union of doctors and apothecaries, with the surgeons and midwives as dependents. A surgeon was socially inferior to a physician because the use of the hands was always less respectable than that of the head. Eventually, the apothecaries became great "wholesale" merchants, who felt that their dignity as men of business was somewhat tainted by their association with people like doctors and surgeons. Then there were the furriers and, finally, the judges and notaries.

The notaries or judicial group, though the last to appear, came to head the list of greater guilds. The judges took the title of *messer*, like the knightly class, and even the notaries were distinguished from mere commoners by the title of *ser*. There was no university at Florence. In university towns the professors usually shared the dignity of the judges, or even took precedence over them.

Besides the seven greater guilds, there were fourteen lesser ones, sometimes divided into five "intermediate" and nine of "little people." Among the intermediate guilds were the

linen-makers and butchers, while the masons, carpenters, and bakers were typical "little people." In general, the place of an industry in the hierarchy, or of a craft (in the narrower sense) within its gild group, depended on how ancient it was, how lucrative, or how aristocratic in its traditions. In practice there was naturally some variation in the weight assigned to the three criteria. Christian theology placed "spirit" above "matter," so that "liberal" occupations, demanding brain-work, were reputed above "servile" or manual ones.

After 1282, the gilds nominated the city authorities, so that it is hard to distinguish between the gilds and the government of Florence — if indeed such a distinction means anything. At first, the seven greater gilds played the preponderant rôle, but the lesser ones gradually forced themselves into a position of equality. The result of class struggles was finally a narrow but efficient oligarchy, which was in turn overthrown by the house of Medici, wealthy bankers and political bosses. The Medici ruled practically as despots until the end of the period usually called the "middle ages." At no time were there more than thirty-five hundred actual citizens, out of a population at its maximum of some ninety thousand. Only the resident nobles and the merchant class paid taxes or enjoyed political rights during most of the period of Florentine greatness — the rest, in town and country, were serfs or laborers.

The dominant position of great commerce — and incidentally of the great industry which fed it — in European economic life, and the preëminence of southern towns like Venice and Florence in these activities, gradually forced the introduction of capitalism and free enterprise.

Capital, strictly speaking, is a surplus in the form of tools, ships, raw materials, or other goods used to increase production. Its use makes production a longer and more complicated but more efficient process. The individual worker, however, can hardly ever wait for his pay until the eventual product gets into the consumer's hands at some dis-

tant time or place — he must have something which he can exchange for his daily bread. This something has usually been precious metal (or paper or credit which represents a given amount of such metal) of intrinsic, exchangeable value. Thus in human societies which have any considerable surplus, it tends to be represented by such metal, paper, or credit which can be exchanged. Whoever has this exchangeable currency or credit wants things to use for it. If, instead of buying goods to exchange now, the people who have purchasing power order the creation of tools or the accumulation of surplus food and raw materials, they demand payment. This is not only to cover a risk that they will never get the consumption goods, but it is also a charge for waiting. They are “capitalists.” A capitalist, then, is one who devotes a surplus which he might convert into goods for present use to producing still more goods for future consumption instead. Of this added stock he demands a share.

Capitalism — a term which we must henceforth use from time to time — may be simply defined as the type of economic order in which the ownership of capital and the broader aspects of its management are separated from the technical details of production. Sometimes (as in many modern corporations, with their stockholders, bondholders, and salaried managers) ownership and management are also distinct; but this is not essential. The specialized capitalist, in mediæval Italy as elsewhere, must get his reward in the form of interest and profits.

The growth of an economic aristocracy and the gradual evolution of the gild system, with its small units and personal relationships, into a capitalistic economy is conspicuous in Italy. Where production is chiefly for foreign markets, industry always tends to be capitalistic and individualistic. In some cases industries whose operations had earlier been partitioned out among a number of crafts gradually became integrated. The separate crafts lost their isolation and independence as management became concentrated. An example is the woolen industry at Florence. The *Arte della*

Lana became more and more stratified into social classes, with the richer families at the top. It bought its wool, oil, etc., wholesale, distributing them to the masters, often without profit. Its warehouses, shops, and dyeing houses were used by all masters, and its funds were often employed to finance them. Finally it introduced new manufactures, hired foreign workmen to the prejudice of its own lower ranks, and generally employed the common funds in the interest of the upper classes. Eventually, it bought its own ships and became practically a "trust." A similar situation in other Florentine guilds led to a class struggle and to the dictatorship of the Medici family of bankers, as already noted. In northern Europe, the general trend of guild evolution was complicated by factors not present in Italy, as we shall see later.

BUSINESS ORGANIZATION AND METHODS

The stock company had its roots in mediæval Italy, in the management of the public debts of the city-states. Such a debt would be divided into round sums for convenience, something like modern shares. To insure payment of interest and principal, it was common to hand over certain taxes to the creditors. Thus these creditors were compelled to organize in some corporate fashion and to employ agents, book-keepers, etc.

The actual transition to a stock company occurred in Genoa, in the fourteenth century. The Genoese Government had incurred a debt in connection with the conquest of Chios and Phocæa, sources of alum (used in dyeing) and gum mastic (for dyes and varnishes). There being no other immediately available revenue to assign to the furnishers of the funds for the conquest, the alum and other works themselves were turned over to be exploited for twenty years. The debt was divided into shares. The State being still unable to fund the debt at the expiration of the period, the alum company was left in possession of the property, represented by transferable shares. A century later the company was bought up by the Bank of Saint George, of Genoa. This

shows a notable advance over classic Rome, where private corporations were not permitted; but it is still far from the modern elaborate type of organization, with limited liability.

The standard forms of association continued to be the private partnership (commonly of relatives), the gild, wherein each man adventured with his own capital but under group regulations, and a curious hybrid known as the *commendata*. The "commendator" would furnish the capital for some venture such as a trading expedition, the "tractator" or manager getting one fourth the profits for his services. Often enough the manager also furnished some of the capital, which would modify the management and division of gains.

In thirteenth-century Italy, the bill of exchange had already largely superseded the general shipment of coin. This was merely a written assignment of a debt. Thus A in Genoa might owe B in Florence, but C in Florence owes D in Genoa. If A pays D and C pays B, transportation of money in both directions is avoided. These were introduced into northern Europe by Italian bankers and by papal revenue agents. Between countries, especially in northern Europe, where money was scarcer and there were elaborate legal restrictions upon its export, debts in distant places were still commonly paid by exporting thither some product thought to be in demand there.

The money-changer developed very gradually into a real banker. He had to have a strong-box to guard his stock of money and the valuable articles held as security for loans. A system of checking came into use. At first, A, who owed B, merely told his own debtor, C, to pay B. Both A and B had to be present. The written acknowledgment of the transaction was, of course, a check. Soon these checking transactions began to be made through bankers. The money-changer's strong-box or well-guarded house made him a natural depositary for people's valuables or surplus money. When each of two merchants had an account at the same bank, debts between them could be adjusted simply by a

transfer of credit on the books by the depositor's order or check. Soon the presence of all the parties ceased to be required. The clearance between banks of personal checks on each other was of very slow growth — it is quite imperfect even in present-day France.

As soon as checks came into general use, the bankers had a considerable surplus of money beyond that needed in any day's transactions. So they began to lend money or to trade with it themselves. Finally, they began to offer interest for deposits left for a considerable time. Thus investment banking appeared.

The Bank of Saint George in Genoa was the most famous of the mediæval concerns. This was originally an amalgamation of various groups of state creditors, one of which has been mentioned above. It reached its definitive form in 1407. It managed certain state revenues and foreign possessions, did a general banking business, received deposits, and invested its funds without interference from the Government, with the provision that it must always honor its paper. Management was by boards elected by some five hundred shareholders. Saint George was synonymous with solidity. The institution survived until 1816, when Genoa lost her independence as a result of the Napoleonic Wars.

Marine insurance appeared in Italy about the middle of the fourteenth century, and soon spread to land trade. It bore the marks of its money-lending origin at first. It was usual to lend a sum of money to the ship-owner, to be repaid when (if) the vessel came safely to port. It is very likely that the Antonio of Shakespeare's *Merchant of Venice* would have had his argosies insured; but England had been a backward country commercially, and we could hardly expect a sixteenth-century British playwright to grasp the intricacies of Italian economic life.

Lombard, Tuscan, and Caursine banking operations can hardly be overestimated as factors in the economic evolution of Europe. For three hundred years (from about 1200) practically no first-rate enterprise could go on without the sup-

port of capitalists such as the Ricciardi, Bardi, Peruzzi, and Scali. Their branches were scattered from Asia Minor to Flanders and London. Besides financing imports and exports, they advanced enormous sums to popes, emperors, kings, and nobles. Edward III of England defaulted in 1340, owing some twelve million dollars. Italian bankers helped organize the finances of kingdoms, and spread the practices of the South throughout Europe. Wherever they operated, a concentrated surplus appeared, which in its turn developed a class interested in the arts and sciences, in the luxuries and the amenities of life.

Bookkeeping was also developed in Italy. Money transactions on a large scale required it. Arabic numerals came into general use in the thirteenth century. The difficulty of systematic accounting before this innovation can be appreciated by attempting to add or multiply together groups of Roman numerals without reference to Arabic figures. This, by the way, is hardly a fair test, as any one familiar with the mathematical devices already in use can testify, but the advantage of Arabic notation for accounting purposes was very great. Papal accounts furnish the earliest example we have of modern bookkeeping. North European business people sent their sons to Italy to study accounting, and the first textbooks on the subject were published there.

Once commerce had become widespread and industries had begun to produce for distant markets, elaborate accounting became a necessity. No longer did the craftsman make goods for a consumer known to him, often ordered before their manufacture was begun. The great industrial guild arranged for production, and made up goods to sell to anticipated buyers at a date often far in the future. Aside from the intricate records required by such transactions as a part of the day's work, estimates of demand had to be made up largely from the figures on past business.

GREATNESS AND DECLINE OF THE LEVANT TRADE

The greatness and decay of mediæval Italy are closely

bound up with the eastern trade. The most prosperous period was about the beginning of the fifteenth century. Venice had a population of 190,000, and her annual revenue exceeded \$2,500,000. An army of some 40,000 men was maintained, and the commercial fleet of 3000 ships was protected by a navy of 45 men-of-war, manned in all by some 36,000 seamen.

It is hard to get at the exact size of these ships. Accounts of the crusades mention the transportation of as many as one thousand to fifteen hundred pilgrims in a single vessel. This seems exaggerated. We know of some ships of thirty or forty tons, but there are also records of others which must have reached four or five hundred. On the one hand, these are several times as large as northern European craft of the period, but on the other, the ordinary tramp steamer of to-day has ten times the tonnage of the largest of them. The standard mode of propulsion was by oars, though sails were also used.

The compass was in general use by about 1300. Crude charts or "sailing directions" soon appeared, dealing with the bottom, tides, prevailing winds, etc., as well as with shore lines. Only at the end of the "middle ages" did the charts and the methods of "live reckoning" (by the stars) become sufficiently accurate to enable mariners to strike boldly out into the open sea. Not only did pirates abound, but, worse still, the fleets of rival towns were likely to swoop down upon an insufficiently protected merchantman without warning or any formal declaration of war. The ships themselves were crude, and often unseaworthy. With the difficulties and risks of navigation, transportation was so expensive that it was limited as far as possible to articles of slight bulk and high value. Even a commodity like spices cost two or three times as much in Bruges as in Venice, and English wool sometimes sold for ten or twelve times as much in Florence as at home.

It is needless to run over the long list of southern towns. Florence was slightly less than half as populous as Venice.

Its wealth may be imagined from the fact that a single loan of 1,365,000 gold florins (nearly \$3,500,000) was made to King Edward III of England in 1338. (Incidentally, this was never repaid!) The gold in circulation in the city amounted to some \$5,000,000. The wealth of the Papal Court at Avignon in 1334 was estimated by Villani at over \$60,000,000. Were it possible to reduce these amounts of precious metal to actual purchasing power at the time, the sums would be seen to represent much more wealth than appears at a glance. For example, a bushel of wheat cost about eighteen cents in Edward III's reign — an ox about three dollars.

Economic leadership passed from Italy to the Atlantic seaboard states of Europe at the opening of the "modern" period (sixteenth century) for reasons not difficult to grasp. Italy was poor in food products and raw materials as compared with her northern and western neighbors. After they had borrowed most of her superior economic organization, her primacy depended upon a monopoly of the three great routes to the East, via the Black Sea, Syria, and Egypt, respectively. This monopoly was defended by a number of small city-states, hostile to each other and so wealthy relative to their size and strength as to tempt the rising national states near by to conquest.

The capture of Constantinople by the Ottoman Turks in 1453 was a blow at the prestige of Venice, whose commercial greatness had been partially founded on a similar conquest in 1204. The Turks were at first disposed to make great concessions in order to keep up the trade which made their new capital valuable; but they wanted their share of the revenue, and Venice soon felt the disadvantage of a strong power at the Straits. The aggressions of newer and wilder groups of nomads hampered the caravan trade over the middle and northern routes. Thus at a period when the European demand for oriental goods was increasing, the supply was rendered more precarious, and impossible to increase without making it still more expensive.

French, Spanish, and Hapsburg military interference in Italy around 1500 sadly upset things. The military menace of the advancing Ottomans grew ever more expensive and serious, especially to Venice. But the most ruinous blow of all, affecting the Turks as well as the Italians, was the discovery of an all-sea route from the Indies to western Europe which avoided the Mediterranean altogether. Southern Germany was almost as hard hit.

The Italian monopoly of oriental trade was not only broken: the new route was so much cheaper that Mediterranean competition with it was in time completely crushed, leaving only the commerce with a partially ruined Near East. A tedious and expensive land stretch in the journey had been eliminated, and with it the necessity of several groups of forwarders. With the cheaper transportation and the new facilities for carrying large quantities of goods the character of the trade underwent a change. Bulkier and less valuable articles were imported from the Orient by water. In this traffic the Italians could not compete at all, even if they could have got on with the Turks and kept the land routes open. It is reasonably certain that the Venetians and Ottomans together could have reopened the ancient Suez canal and vastly changed world history to their advantage; but aside from the usual hatred of competitors, there were religious and racial barriers to coöperation. Anyway, nobody saw the real point to the shift of trade at the time. There is evidence of this in the continued struggles of France and Spain for the squeezed lemons of Italy and central Europe.

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CHAPTER IV

THE ECONOMIC AWAKENING OF NORTHERN EUROPE

THE WESTERN EUROPEAN LOWLAND

A GLANCE at a relief map will identify what geographers sometimes call the "Western European Lowland"; which includes western Austria and Czecho-Slovakia, most of Germany, Poland and the new Baltic States, Denmark and a strip of southern Scandinavia, the Netherlands, Belgium, England, and more than half of France (to the highlands of the center and southeast). In this territory now exists the most intensive economic development the world has ever seen. The climate is temperate but invigorating. There is an abundance of fine agricultural soil, with rainfall well distributed throughout the year. Timber and minerals are plentiful. The plain is practically covered by a network of navigable rivers, and it is exceptionally fortunate in the matter of harbors. This region is only one seventh of the area of Europe and less than one per cent of the land surface of the earth. Small as it is, it holds over a third of the world's cities of over one hundred thousand population and carries on an extraordinary proportion of the manufacturing and commerce of the world.

The Alps, Jura, Cévennes, and Auvergne cut this plain off from the Mediterranean or sub-tropic climate and rainfall area. Because of these natural features, transportation between the lowland and the Mediterranean region offered certain obvious difficulties before the development of deep-sea navigation or railways. The extreme southwestern arm of the plain, the Roman province of Aquitania and part of Narbonensis, reached the Mediterranean on both sides of Narbonne, and the lower part of the Rhone River was also serviceable. A considerable area in southern Gaul lay so near Mediterranean water that commerce by road was not pro-

hibitively costly. It would probably be a mistake to suppose that it was ever as populous as Italy in Roman times, or had an equal volume of commerce and industry. Nevertheless, the amount of manufacturing and the character of the trade in the southern half of Gaul show a sufficient economic assimilation to Rome to justify leaving it to one side in a discussion of northern European institutions.

East of present-day Germany, the western European lowland was divided from the great Russian plain only by a series of marshes of which the Pripyet region is the core. There were passages between the two, though in early times they were used for occasional migrations rather than a stream of exchanges. Next to the Black Sea, Greek (later Byzantine) influence was hardly less important than that of Rome in southern Gaul.

The soil of northern Europe is generally heavier and richer than that of the Mediterranean region. Extensive cultivation of grains is more feasible. The climate, situation, and soils dictate a very different method of exploitation. Thus, while all the European peoples we have to deal with arrived in the continent early, and very likely resembled one another a good deal culturally in remote times, there was much besides the influence of the ancient Near East upon Greece and Rome to drive southern and northern tribes apart institutionally.

PEOPLES

The three major groups of people we have to deal with in northern Europe are, taking them from east to west, the Slavs, Teutons or Germans, and Celts. All three peoples contain various mixtures of physical characteristics. When the southern peoples became sufficiently interested in them to begin writing the meager accounts we have, all three herded most of the domestic animals now found in their lands, raised some grain, and knew how to work metals, including iron. The heavy plow which they found adapted to their soils turned the furrow over, and was commonly provided with an

iron shearing edge. This was one of the reasons why their cultivable plots tended to be long and narrow — in the form of strips — rather than square or rectangular, as in the Mediterranean region, where the light plow merely stirred the looser soil and cross-plowing was necessary. Which of the three peoples originated this implement is not known. The Germans usually get the credit — presumably because the modern German historians made the first bid for it. One French historian says they got their plow from the Slavs. In the total absence of primary evidence, it would be quite as reasonable to lay our guess with the Celts, who plowed more extensively than either of the other groups at the period when we first catch sight of them. From four to eight oxen were required to pull this plow.

Grains were cultivated by both Celts and Germans in Julius Cæsar's time, most extensively by the Celts. The chief occupation of both was grazing; and both eked out their food supply by hunting, fishing, beekeeping, etc. Commerce, industry, and town life had also made considerable beginnings among the Celts of Gaul, who used money extensively. The Celts had, in particular, developed a thriving textile industry in the making of sails and linen clothing, and an important glazing industry. Their commercial relations with the North were extensive and their shipbuilding art highly advanced. The Celtic ships which plied along the Atlantic coast were among the largest the world had seen at that time.

Primitive life had evidently been on the basis of blood kinship, but, under pressure of increasing numbers and social complications, accompanied by the accumulation of property and the growth of trade, clan and tribe were losing their family characteristics at the time when the Romans appeared on the scene. Contemporary writers asserted that there was no private property in definite pieces of land among the Germans as yet, though there appears to have been considerable among the Celts. Such ownership becomes inevitable only after a scarcity of the best land is felt, an ap-

preciable amount of labor is permanently invested in the arable plots, and, apparently, after an exchange economy has come in to a considerable extent.

Kinship bonds were still too strong to permit of any hard-and-fast stratification into social classes, but there were already some chiefs, and even a few individuals whom the Romans regarded as kings. The distinction between serfs, free tenants, and free proprietors was not rigid, or the barriers impassable. All had to pay food tribute for the maintenance of chiefs and kings, but there was no coherent set of traditional services which one class had to render to the next higher.

THE AGRICULTURAL COMMUNITY

Unfortunately for succeeding generations, what is most commonplace and familiar frequently goes unrecorded, because it does not stir curiosity or appeal to the imagination. Not only the Celtic community, with which many a Roman came into daily contact, but as well the mediæval estate or manor at its height, are subjects of great mystification for just that reason. While the social and economic institutions of the Celts within the imperial colonies presented to the Romans only a prosaic, detailed, practical problem of administration, Germany was quite a different matter. The Germans were a half-barbarous, unconquered foreign people, whose exuberant vitality required the presence of many legions on the frontier. In the nature of the case they elicited interest, comment, treatises. Of a number of works on the Germans known to have existed, the only one which has survived anything like intact is Tacitus' *Germania*.

In this rather slight, obscure, and controversial book, the historian anticipates the eighteenth-century fashion of insidiously attacking what he considers the weak spots in his own civilization by contrast with a foreign one. For example, the supposed rigidity of German family ideals, though in keeping with the kinship basis of their society, is used as an invidious contrast with the upper-class laxity at Rome.

Probably Tacitus never visited Germany, and the serious works ¹ of those who did have perished. Hence we have to rely upon a considerably garbled version of one secondary though contemporary source, and various fragments from other pens, checked up by survivals in a much later period and especially by various codifications in Latin of Germanic laws. These codes were written down centuries later and show Latin influence. As to early Celtic society we are in a worse position still, through the want of even a work like that of Tacitus, or of systematic codes, and because of the effacing influence of both Roman and Teutonic invasions. Concerning the early Slavs, there are fragments from Arabian and Greek writers, and the Nestorian or Kiev chronicle.

Herding in a cold region like northern Europe demanded some fixity of life. Hay was needed to tide the stock over the winter, which meant meadows as well as pasture land. The growing trend toward grain fields as a source of livelihood was evidently due to increase of population as well as to the penetration of South European ideas. Meadows continued to be most vital to community existence, and were considered more valuable than tillable plots even at the height of the middle ages. Until land scarcity began to be felt, a field for temporary cultivation could be marked off in some convenient part of the pasturing grounds. When it grew infertile as a result of repeated grain crops, it could be allowed to revert to pasturage and a new one plowed.

According to Cæsar and Tacitus, the old Germanic custom of redividing the meadows yearly among the villagers applied to the cultivated patches also. The allusions to this are only casual, and it may be that fixed tenure by individuals had already appeared in some places. The Celts were economically much more advanced. Summer pasturing grounds on the mountain slopes were still owned by groups, not by individuals; but personal landowning was beginning to be a force in the permanent farming settlements, where considerable improvements upon the land had been made.

¹ For example, those of Pliny the Elder and Livy.

Agriculture had reached such a stage among the Celts of Gaul that Cæsar was able to requisition grain in quantities, and he mentions professional traders.

The practice of yearly redistribution of lands continued into the manorial period of the middle ages only in the case of meadows. Sometimes lots were drawn by villagers, but it was also common to arrange a system of rotation by families, the object probably being equal chances at the desirable plots and a rough adjustment of the amounts to the number of stock. Yearly reapportionment of the *tilled strips* proved impracticable, however, and was abandoned in favor of permanent tenure when agriculture became relatively important.

Of course the villagers did not change their land system all at once. One of the open fields would contain a number of subdivisions or "shots," whose size and shape varied with the lie of the land. Each shot was cut up into strips, a common size of these being an eighth of a mile long by four rods wide, containing an acre. The obvious way to preserve equality without shifting peasants about annually, taking turns at the good, poor, and mediocre land, was permanently to assign each family a number of strips in various parts of the field.¹ These scattered holdings were little if any more difficult to till than compact ones would have been. Farming was necessarily coöperative anyway, since each villager would own but one or two oxen, while plowing required from four to eight. Harvesting by hand was best done in groups, taking the strips as they got ripe. For each to reap only his own grain would have kept much of the labor idle waiting for crops to ripen, or after cutting. This was equally true of the hay, and of course the labor of herding was most economically managed by the whole village.

Laying aside for the moment the changes in Gaul due to direct Roman influence, we see the pressure of numbers in

¹ Judging from modern open-field farming in eastern Europe, it was particularly desirable for each family to have some of each different *kind* of land. The "value" depended upon the season — if wet, dry, early, late, etc.

Germany become more intense, due to increase in population, the advance of Slavic tribes from the East and a partial check to westward expansion because the Gallo-Roman lands were already peopled. The German village or *Mark* was slowly transformed. The most desirable sites were taken up. It was no longer possible to move about freely in search of meadows and pastures, or carelessly to abandon a tilled field when it became infertile. A denser population can be supported by agriculture than by stock-raising, so in the mixed system the emphasis gradually moved from animal to plant culture. The village groups settled down to a system whereby the same ground could be used over and over.

It was found that a field could be cultivated indefinitely, provided it was plowed and cropped only every other year. During the alternate years when it was recuperating from tillage, the field could be used to some extent (between plowings) as pasture, and the droppings of the stock helped to fertilize it. This meant two permanent arable fields, one farmed and the other fallow or idle during any given season. The two-field village which thus appeared had its permanent meadow lands, pastures, and forests, besides certain waste areas such as marshes or rocky hillsides.

The three-field system was similar, except for the additional field. In this case each field was cropped for two successive years and allowed to lie fallow during the third. This system involved tillage two thirds instead of half the time, and was adapted only to the richer lands. It was not found necessary except where and when the population had become fairly dense. A typical three-year cycle of crops for a given field would be winter wheat or rye, followed the next year by a spring crop such as oats, barley, or peas, and fallow during the third year. Due to the fact that the three-field allowed of more intensive use of the land than the two-field system, economic historians have often assumed that the three-field system became well-nigh universal in mediæval agriculture at its height. As a matter of fact, as Professor Gray has shown, the two-field system seems to have been widely re-

tained throughout the middle ages. Whatever fraction of the land was available for cultivation during any given year was commonly divided into two parts, one for fall and one for spring crops.

This over-simplified synopsis of agricultural evolution would carry us at a bound over into the tenth century in northeastern and northern France — to a still later time in England and Germany proper. It is significant that the mediæval type of village organization, commonly known as the "vill" or "manor," reached its growth in regions invaded by the Germans, not on their homeland. Hence it cannot have been purely a product of the gradual evolution of the early Teutonic village. It did not take on the characteristics by which we recognize it until the Roman occupation had come and gone. Yet it never became general in southern Gaul, where the Roman influence was paramount. In Brittany, which remained Celtic, there were scattered estates which might be called manors, but system and uniformity were absent. Parts of western England and Wales, likewise Celtic, never became really manorial. Thus the manor was neither a Roman or Gallo-Roman development, nor purely German. Great patches in the heart of Germany never developed it, but passed from their primitive community organization to a system of individual, allodial holdings. Still less prevalent was the manor and the feudal organization of the upper classes which usually went with it in the Scandinavian lands, where the population was closest of all to being purely Teutonic. The early villages of northern Europe seem to have been far more alike than was at first supposed, and the definite manorial organization came much later.

The generalization which seems nearest to including all the facts is that there was never any real manorial *system* at all. There were individual manors under their petty "lords." Sometimes a number of them, grouped or scattered, were under a single lord, ruler, or corporate entity such as a monastery. Where there was any genuine system, binding the

units of a wide area, it was feudal. The geographical setting in which the feudal land system grew up, and the economic and social materials out of which it was built, are necessary parts of its background; but the vital thing is the actual situation under which all these factors shaped themselves in a new way.

EFFECTS OF THE ROMAN OCCUPATION

It must be borne in mind that the Romans occupied only the western edge of the great European lowland discussed above. Except for the regions near the Mediterranean, the picture we get of Gaul, the Low Countries, and Britain under the Roman Empire is that of a frontier country. Stock and the products of extensive agriculture were plentiful. Many of the upper-class colonists lived sumptuously on great country estates with finely built houses and elaborate grounds. Luxury goods were sufficiently light and valuable to be freely transported to these northern regions. As in all newly developed countries, once they were opened up and settled, life was comparatively easy. Surplus animals, grain, raw materials, and even many manufactured articles flowed to Rome. Full economic assimilation to Rome was of course increasingly difficult as the distance northward added to transportation costs and cut down the interchange of heavy or cheap articles.

Rome's success as a colonizer was due almost as much to her amazing tolerance of the customs, whims, and prejudices of subject peoples as to organizing genius. The provincial governments of the period of greatest progress shut their eyes to everything but the essentials: taxes, defense, exports and imports. Local laws and customs were not interfered with unless in direct conflict with well-established principles or with some immediate aim. Hence the amount of deliberate Romanization of outlying territories was the minimum consistent with practical administration.

Towns, camps, and some main roads were built in the Celtic northern fringe of the Empire. Many villas or estates

of the Roman type were established, and the Government viewed them favorably. It goes without saying that they were not identical with villas in the Mediterranean region; climate, soils, and situation were different, and much of the experience of the natives was too valuable to be ignored. Around these great estates was a multitude of small holdings, both personal and, in the outlying regions especially, of the more primitive village type. Considering the length of the occupation, it is safe to assume that coöperative tenure suffered heavily from the inroads of Roman ideas about private property in land. Even on their villas the Romans were naturally cautious and practical about revolutionizing the tillage system. The heavy plow of northern Europe was much better adapted to its soils than the lighter southern one. This cumbersome furrow-turning implement carried with it the fundamentals of the strip arrangement of fields, which in turn involved a vast number of other details. Taken together, this fabric of surviving practical habits entailed the survival of a large part of the North European economic and social inheritance.

Beginning with the third century A.D., the Government became more bureaucratic and intolerant. It tried to break up old customs and inaugurate new ones in ways which proved expensive, irritating to its subjects, and damaging to its prestige. Many of its disasters date from that time. There is some evidence of an attempt even to break up the open-field strip system of northern Europe, substituting enclosed rectangular holdings which did not follow the lie of the land, and a rigid type of tenure which all the schoolmasters and legionaries of Rome could not have imposed. Administrative genius seems to consist largely of an infinite capacity for picking out essentials and basing organization upon them, for avoiding friction by ignoring whatever is not directly linked with the main object.

The Roman desire to keep together units for taxation may even have retarded the growth of widely distributed private property in land in northern Europe. In Germany, not

actually under the thumb of the new Roman bureaucracy, the primitive communes tended to break up into individual freeholds.

In the British Isles, the chief practical result of Roman rule was to remove, depress, replace, or win over the natural leaders in Celtic society. The thin carpet of Roman institutions prevented the Celtic base from matching the growth of population and economic prosperity with the necessary increase in social integration and capacity for defense. When the showy Roman surface was rolled up and removed early in the fifth century, the natives were left an easy prey to the Picts, Saxons, Jutes, Angles, Frisians, and Danes. Many of the Britons fled to their brethren in northwestern Gaul, which was named Brittany after them. The Celts who remained were reduced to something like their earlier pastoral and agricultural mode of life. The institutions of the invading Anglo-Saxons and other German tribes could not have been so different as to raise any great problem of readjustment.

Two centuries of attempts at centralization and meticulous regulation on the part of the weakening central Government in Italy only served to emphasize the differences between the Mediterranean region and northern Gaul. Provincial governors became practically independent. The bailiffs on the great estates took local law enforcement and interpretation largely into their own hands. Unable to prevent the occupation of the lower Rhine country by the Franks, the Roman Government saved its face by calling them "allies," and authorizing them to rule the country as far southwest as the Somme River. Syagrius, son of a Roman officer, ruled the remainder of northern Gaul, from the Somme to the Loire, from 464 to 486, when he was defeated and killed by the Frankish Clovis (Chlodwig, Ludwig, Louis). Syagrius' connection with Rome had been purely nominal, and he had been known locally as the "Roman King of Soissons." So northern Gaul and the Rhineland became "Frankland" with a German king. Roman rule at the last was such a mixture

of incompetency and oppression that many went over voluntarily to the Germans, as the lesser of two evils. Only the great estates were able to protect themselves or retain any degree of prosperity. To the excesses of invading German soldiery were added the turbulence and brigandage of the lower classes of Gaul itself, reduced to desperation by the general disorder and destruction, uncontrolled by any orderly government.

ECONOMIC EFFECTS OF THE GERMANIC INVASIONS

The purely destructive aspects of these invasions need not detain us long, though they are moving and dramatic. In spite of the Slav advance which pushed the Germans westward to the Elbe, the readjustment in the heart of Germany lacked many of the factors which made it so turbulent farther west. The Roman influence upon Germany proper had been less direct, and the evolution of institutions had been slower, more natural. There was less to destroy. Simply organized agricultural regions always accommodate themselves more readily to sweeping changes in conditions than do societies with a denser population, more dependent upon accumulated goods, industry, and exchange. Moreover, the invaders of Gaul were aliens, largely cut loose from their accustomed social moorings.

There was likewise less to destroy in Britain than in Gaul. The Anglo-Saxon invasion of Britain was so overwhelming that it amounted to a transplantation of Germanic institutions¹ rather than a long and tedious conflict, followed by the necessity of starting over with disharmonious fragments of peoples and ways.

Gaul suffered most. Life was cheap and the enormous loot of a disintegrating civilization fell to the strong. Of the one hundred and twelve places in Gaul which the Romans classified as cities (*civitates*) and a large number of fortified camps (*castra*) — some of them practically towns — the majority

¹ And the revival of Celtic ones — where these were not too deeply overlaid with Roman ones, the amalgamation was not too difficult.

disappeared. Modern France has over five hundred cities, only about eighty of which can be traced to either *civitates* or *castra*. Nor does this represent the sum total of the havoc of the early middle ages; for it was often the important places which were overwhelmed, and many of the greatest urban centers of to-day did not exist in Roman times.

Not all this destruction can be directly charged to the Germanic invaders. It is true that the earlier groups were agriculturists, and had no use for towns. It is likewise true that the very sites of some good-sized Roman places are unknown to us, so complete was the effacement. Yet from this we must not jump to the absurd conclusion that the Germans went to the labor of tearing down cities and plowing over the sites out of sheer perversity — or at all. A fortified camp lost its excuse for existence with the disappearance of the Government whose garrisons were to be sheltered. Likewise, the collapse of the fabric of trade which centered in Rome left many a provincial commercial city high and dry — to be deserted because a living could no longer be made there. Furthermore, much of the industry of Gaul had been for military consumption, or of the nature of luxuries for an upper class which could no longer maintain itself. Great aqueducts, baths, amphitheaters, and other like constructions were of use only to the concentrated urban populations which the imperial system supported or made possible. Once these people scattered out upon the land to make a living under new conditions, the need for building stone and the wear and tear of time removed many a relic of Roman times as completely as it could have been done through deliberate design.

For a time rural economic life seemed to be going in the same way toward destruction. Large stretches of land actually went out of cultivation, and some localities which had previously been populous became entirely uninhabited. Naturally, the communities which had produced grain or raw materials for export suffered most from the drying-up of town life and trade. Hardly less lethal was the blow to the

wide suburbs, half urban, half rural, which had stretched out from many of the towns. They now disappeared, the stone of the structures being used in many cases for building impregnable walls close in to the withered towns. The specialized truck gardens became what they had been centuries earlier, general farming units, producing most of the necessities of life.

Such economic and social order as existed varied greatly from one region to another, each different people living under its own law. Sometimes various races were represented in the same locality. Nevertheless a Frank or Burgundian lived under his own tribal law, a Gallo-Roman under the barbarized code of the Roman law. The impersonality, equity, and uniformity of the Roman legal system thus vanished from the land, and any considerable commerce or accumulation of property became impossible.

Roman centralized administration and money economy had favored the growth of individual enterprises, even in agriculture, at the expense of the coöperative village system native to northern Europe. With the disappearance of money and efficient central government, a tendency in the opposite direction set in. The advantage now lay once more with the type of organization which could produce locally practically everything essential to life. There was an inevitable consolidation of the smaller freeholds into larger units which could sustain and protect themselves. These larger units were not like either the freeholds or the villas which had immediately preceded them. For purposes of cultivation they were composed largely of peasant villages, reduced to a tillage system very much like that of pre-Roman times. Superimposed upon this revitalized groundwork of North European village agriculture was a new fabric of upper-class government which departed radically from anything either primitive or Roman.

THE ROOTS OF FEUDALISM

A modified form of the German *Gefolge*, *comitatus*, or

voluntary war-band had been adopted into the decaying Roman Empire, which had used German soldiers under the military chiefs who recruited them. This *comitatus* had been considerably affected by long contact with Rome, both within the Empire and outside. A very good picture of it is given in the Arthurian legends. Younger or lesser warriors were armed and maintained by their chief, commonly living under his roof. Their equipment was provided by him, and reverted to him upon their death.

When German leaders finally secured control of the Western Empire in the fifth century, their *Gefolge* or immediate followers became a sort of special official class. They acted not only as royal bodyguard, but also as special commissioners and messengers to supervise the administration, as tax-collectors and the like. As special royal representatives, they were exempt from ordinary jurisdiction. Many of them were granted separate estates, retaining a seat in the King's hall. But the organization of the *comitatus* was to prove incapable of such extension.

In the decadent days of the Roman Empire, it had become common to hand over estates to monasteries or lay magnates, who allowed the previous owners to use them for life but retained the title. This transaction was covered by a written contract, and the holding was called a *beneficium*. Side by side with this was the *præcarium*, a holding to which the user had no legal or contractual right.¹ Theoretically, at least, such "precarious" tenure might be cancelled and the tenant expelled at any time.

The Frankish kings were used to a simpler social order, and did not realize at first that the personal ties of the German *Gefolge* were too weak to hold together a society with considerable property. They cherished the vague delusion that they were emperors after the Roman manner, not comprehending that the decay of the Roman fiscal system had removed the economic foundation of such an organization.

¹ Not even for life (without the right of transmission to heirs) as with the *beneficium*.

Money had largely disappeared. Taxes could no longer be collected for the maintenance of the necessary administrative and military personnel. Instead of supporting the kings who had raised them to power, the noble and clerical classes tended to combine in resisting the Crown. When the Merovingian kings had given away their available lands without even the protection of *beneficium* contracts, they became mere puppets in the hands of their mayors of the palace. The mayor was simply the chief royal steward and manager of the privy purse.

This economic office became hereditary in the Pepin family. Charles Martel, an illegitimate son of one of the Pepins, gathered men and resources to establish himself as mayor, to beat back certain ruder German tribes, and finally to meet and repel the Moorish invasion near Poitiers in 732. He seized this occasion to repair the early Merovingian blunder which had alienated so much land without proper security. Many estates, particularly ecclesiastical holdings, were confiscated to raise cavalymen to meet the Moorish emergency, and regranted to followers only as benefices, subject to taxation, military service, and withdrawal by the Crown. The Pope naturally protested, but an amicable settlement was reached, thanks in part to Rome's need of protection against the Lombards. Charles Martel's son, Pepin, deposed the last Merovingian king with the Pope's permission, and founded a new dynasty of Frankish rulers known as the Karlings or Carolingians after the most outstanding figure, Charlemagne (Karl the Great).

Louis Halphen and other scholars have recently called attention to the exaggerations of earlier writers¹ in dealing with the supposed Carolingian revival of prosperity. It was natural enough that Charlemagne, who was given the imposing title of *Imperator* in 800, should be erected into a figure of mythical grandeur, and that this romantic eminence should color even economic treatises on the period. The various wars and conquests of this dynasty and the restora-

¹ For example, Inama-Sternegg, *Deutsche Wirtschaftsgeschichte*, vol. I.

tion of somewhat more than a fiction of central government may have done something to arrest a general economic decline which continued to about the tenth century. Real and lasting material progress, however, was not destined to come from attempts to revive the Roman Empire in the West, but rather from a settling-down of the western peoples to work out their own institutions and destiny. Byzantines and Saracens now firmly held the eastern Mediterranean region, the richest part of the old Empire. Most of Spain and all of the African lands were detached, and Italy retained hardly a shadow of its former economic greatness. The capital of Charlemagne's state was the German city of Aachen, and the forces back of it were rather German than Roman. The great impetus for commercial revival was to come later from the Northmen.

Feudalism, which has been aptly defined as "confusion roughly organized," was not as yet completely established at Charlemagne's death, but progress had been made in that direction since the reorganization by Charles Martel. The Church had added to its holdings through pious gifts, reclamation, and otherwise, until it held something like a third of the land. This was only one aspect of the growth of large estates and the eclipse of the small freeholder. Revenues from estates had to be largely in the form of services and entertainment because of the scarcity of money incident to such a society. The military and court services were so onerous to freeholders that they often gave up the struggle and commended themselves to the clerical or lay holders of neighboring great estates. Thus the small holder came to work or pay instead of fighting, and the group gave up its armed force in an age when armed force was the decisive factor. Charlemagne was not aiming at feudalism, to be sure, but at a strong central government. The thing which apparently decided the trend of events was a new series of Teutonic invasions in the second half of the ninth century. The invaders, called Northmen in France and Danes in England, were distinctly inclined toward seafaring, trade, and

town life, in contrast with the earlier Germanic farmer immigrants. Seafaring and trade included what we would now call piracy. A period of almost complete anarchy ensued in the Frankish lands west of the Rhine.

In the midst of these new invasions, we find the first documentary reference to a *feudum* or fief. A fief partakes of the nature of both *beneficium* and *comitatus*, with the element of heredity added. Like the warrior of the *comitatus*, the vassal must swear personal loyalty and support, the initiation ceremony being called "homage." As in the *beneficium*, a piece of real property or a concession is involved. Unlike either, the fief, with its privileges and obligations, descends from father to child under most elaborate conditions supposed to reiterate the rights of the grantor and to guarantee a continuance of proper performance of the service. For instance, the overlord has rights of guardianship over a minor heir, and must be consulted about a husband for a female heir.

THE FEUDAL LAND SYSTEM

The French vill or manor now swiftly assumed its definite characteristics. During the tenth century most of the land of northern France which had so far escaped was brought under the dominion of the feudal vassals or fief-holders. Theoretically, each village and each piece of land must have its lord (*nulle terre sans seigneur*). In practice, some land escaped, though not much in northern France. Villages which were already coöperative simply had lords superimposed upon them and became manors. Smaller hamlets of similar type became tributary to manors. Many of the lesser freeholders were reduced to ordinary villagers or villeins, owing labor dues and dues in kind to the lord. At the outset, some of the most important freeholders were able to become petty lords, with serfs of their own. The rest were incorporated into manorial villages sometimes as "freemen" — not actually free, in our sense, but still exempt from some of the more onerous dues, fines, and disabilities of ordinary

villeins (serfs).¹ At the bottom of the scale were the cotters, who did not have even enough land to maintain a single ox for plowing, and thus had to work for the other classes, for the village agricultural enterprise as a whole, or for the lord.

Manorial organization will be discussed in a separate chapter. From the standpoint of feudal government, the manorial units were arranged to support the noble and knightly class which did the fighting. For example, in a region where thirty strips constituted the standard virgate or holding of a single villager with two oxen, four virgates (one hundred and twenty acres) might be the average hide or unit for taxation, and four hides a *scutum* or knight's fee — the amount necessary to maintain a properly equipped fighting man. It would be misleading to give any figures as "average" for the entire feudal land system. Conditions varied greatly from one region to another. Some small manors maintained only one fighting man; some large ones a great many.

French society became stratified in theory into the noble class which fought and governed, and the ignoble class which worked. Personal cultivation of the soil was considered a servile occupation, and a peasant was not allowed to bear arms.² Between the most prosperous cultivator and the lowest noble, with a few peasants, a pittance of land and tiny castle not unlike a modern barn, a social gulf was fixed. One was noble, the other common. The theory "no land without its lord" was never completely realized in practice, however; there were always some allodial or non-feudal holdings.

The final step toward establishing feudalism, with its dependent and supporting manors, in England, was accomplished by the invading Normans, after 1066. England was more strictly agricultural than northern France at the time. The removal of the Roman superstructure down to the primitive agricultural villages had been more complete, and the influence of the early Germanic agriculturist invaders had

¹ French writers commonly use the word "vilain" (*vilain*) as a term simply for villager, and distinguish between "free villeins" and "serf villeins."

² As a rule; in some cases, non-noble freemen were carried away to war, though rarely as actual soldiers, in full armor.

been in the same direction. Nevertheless, the Domesday census which the Normans took shows that there were many freemen, as in Germany proper at the time. The status of a "freeman" in Normandy was much less enviable than in pre-Norman England, and this class generally lost social standing as a result of the conquest. A considerable group at the bottom of the social ladder was interpreted by the Norman census-takers as slaves.

William and his successors on the English throne deliberately avoided some features of French feudalism which they regarded as inimical to their own interests as rulers. They favored scattered rather than compact fiefs, making it more difficult for the great nobles to combine in resisting the Crown. In France, the *immunity* of certain great lay and clerical vassals from the visits of royal tax-gatherers, judicial and administrative officers — which had been purchased or wrung from the Crown at critical times — had made no end of trouble. Profiting by this experience, the Norman rulers of England side-stepped the granting of any such immunities, and forestalled the growth of local independence by the establishment of an elaborate system of royal courts. To maintain the authority of the central Government, the English kings discouraged and finally forbade sub-infeudation — that is, the sub-vassals were obliged to do homage to the King direct, over the heads of their immediate lords. The Crown was thus able to play the lesser nobles against the greater, and eventually the upper strata of commoners against both.

Feudalism spread very slowly into Germany, which never became feudalized to anything like the extent noted in northern France. The conversion of the great German "nations" — Franks, Swabians, Bavarians, and Saxons — into duchies before Charlemagne's death had been more spectacular than real or permanent. Ninth-century Germany had a solidity of which France could not boast. The Germans resisted the invasions of the Northmen which destroyed central government and set up feudalism in France.

The great German duchies which emerged from the ruins of the Carolingian Empire were led by their old nobility. Ducal and, later, royal authority rested upon a considerable body of freemen who cultivated their own fields, and there was no such disintegration into petty sovereignties as in France. The benefice was practically unknown in Germany. The "counts" were mere local officials of the Government, and even the "vassals" were not feudal, being as yet largely without fiefs. Vassalage in France was primarily a military relationship, whereas in Germany it remained chiefly economic until the twelfth century. Feudalism gradually appeared on the French border, as in Lorraine and Burgundy, but its power as well as its spread was checked by the presence of counts, bishops, and counts-palatine, strictly royal officials.

Due to the futile attempts of the German "Emperors" really to govern Italy,¹ and to accompanying civil wars in Germany itself, the royal power was greatly weakened. It finally collapsed in the middle of the thirteenth century. After the fall of Henry the Lion in 1181, the failure of the German mediæval attempt to establish a limited, federal monarchy was apparent. Feudal disintegration set in rapidly. Petty nobles, instead of dwelling among freemen as leading citizens and neighbors, began in earnest a manorializing program which dispossessed the freemen in many parts of Germany and introduced a serfdom much like that of northern France. Wooden country houses gradually gave way to crude imitations of the French stone castle. Still, German feudal society did not take on the rigidity of the French. Primogeniture, so essential to the systematic descent of fiefs intact, never became universal. Sub-infeudation, unlimited under French law, began late in Germany and did not progress very far. This is likewise true of the enrollment of public offices. Private warfare had become so common in France by the middle of the eleventh century that the Church found it necessary to impose the "Truce of

¹ Mentioned in the preceding chapter.

God." This forbade fighting from Thursday until Monday of each week or during any Church festival, thus leaving only eighty days in the year available for warfare. Henry III of Germany resisted its introduction into his domains on the ground that it was unnecessary, the central Government being able to maintain law and order. It was only after the beginning of the disorders accompanying Henry IV's struggle with the Papacy and civil wars at home that the "Truce" was extended to all Germany in 1085.

Serfdom finally became general in southwestern Germany, including the modern states of Baden, Württemberg, and Bavaria. A bewildering array of local laws and customs sprang up, tending to reduce freemen to serfs. Primogeniture was not the rule, and the estates became minutely subdivided through inheritance. Northwestern Germany, including Westphalia and Lower Saxony, resisted. As late as the battle of Bouvines (1214) we find Saxon free cultivators fighting in the army of Otto IV, much to the astonishment of the feudal cavalry from Swabia and Lorraine. The road from Italy to northern Germany via Augsburg and Nuremberg passed this way. This, together with the nearness of the Hanse cities, the Rhine and the commercial towns of the Netherlands, created an economic setting which impeded, though it could not entirely stay, the advance of serfdom. Dutch colonization also affected northwestern Germany. That the large estates remained generally intact was less a matter of inheritance customs than it was the product of a system of leasing for life (*meierrecht* tenure) which became peculiarly prevalent in this region.

Early resurgence of commercial and town life in the Low Countries profoundly affected agricultural organization. This region shared in part the French disorders of the period of Norse invasions. The rise of towns and the growing convergence of trade routes from Italy, through both France and Germany and by sea, from the Baltic, and from England upon the Netherlands, early loosened the feudal and manorial units which had grown up. More than in any other

part of northern Europe, economic life resembled that of Italy. Many of the lords lived in the numerous towns, which were so close together that even a considerable fraction of the peasantry lived in them rather than in villages. There were special laws for the protection of serfs, whose status was the most enviable in Europe. Freemen were numerous. They were subject to various taxes and dues, but enjoyed freedom of movement. Out of this class in the agriculturally overcrowded Netherlands came many colonists who pushed their type of tillage eastward and southeastward into Germany proper. Vestiges of their settlements are found all through Germany, even east of the Elbe, where the Germans were gradually forcing the Slavs back. They had early discarded the open-field system with its scattered strips, communal meadows and pastures and joint tillage, and each man farmed his own acres to suit himself. The Germans particularly esteemed Dutch colonists for marshy regions or next to rivers or seas, where conditions were similar to those in their homeland.

Summarizing in a few words: The feudal land system, with dependent manors, appeared in northern France and on the borders of Germany. The Normans transferred it with few changes to England. It also spread gradually eastward and, to a less extent, southward, but rarely remained intact. The expansion by slow degrees and the encounters with conflicting institutions modified the system profoundly outside of northern France and England, giving it a mixed and variegated character. So far, we have dealt with the manor or typical estate only as an incidental feature of the feudal system. It will be taken up technically as an agricultural institution in the next chapter.

THE RESURGENCE OF TOWN LIFE

The most important survival of Roman rule was perhaps the memory of certain comforts and luxuries, and the continued desire for them. Oriental goods never entirely ceased to reach the great clerical and lay magnates of northern

Europe via the Mediterranean towns. Early mediæval writings are strewn with allusions to such articles.

While the Roman craft associations (*collegia*) disappeared from Gaul, practically if not completely, vestiges of the craft skill itself remained. Gaul had been a Roman province of great commercial and industrial importance. Industry was continued or revived in the great monasteries, and on some of the large estates. Some of the larger monasteries were practically towns. The Abbey of Saint Riquier had about ten thousand inhabitants in the ninth century. Artisans were settled in certain streets according to occupation. Records remain of wholesale merchants, smiths, shield-makers, saddlers, bakers, shoemakers, butchers, fullers, furriers, wine merchants, and beer-sellers. Eleventh-century records of Saint Vincent at Le Mans mention also carpenters, goldsmiths and silversmiths, tailors, drapers, leather merchants, salt merchants, glaziers, and weavers. At least this latter case is late enough to represent more than a vestige of Roman industry. The Italian towns were already commercially and industrially active by this time, and some of the great fairs had been established.

On the great estates there were groups of buildings given over to industries, suggestive of the central shops of antiquity. Another reminder of ancient times was the *gynæceum*, a special group of buildings in which the women worked. In some cases a score or more were employed, chiefly in the making of cloth and garments. The lord's wife was supposed to supervise this work. Instead of the freemen and slaves of earlier times, the majority of the craftsmen were serfs — half-free.

Charlemagne had issued elaborate capitularies telling how industry, as well as agriculture, should be carried on, including the keeping of accounts. He had entered into commercial treaties with foreigners, reorganized taxation and justice, and it is recorded that he planned a canal to connect the Rhine with the Danube. He had seen the importance of urban life, hitherto neglected by the Germanic tribes, and

actually founded a number of towns, including Hamburg. This effort was not without permanent effects, though it failed as a whole, as we have noted.

It is clear from the records that the destructiveness of the Northmen who invaded France in the latter part of the ninth century was much exaggerated by the ecclesiastical chroniclers. The Northmen were a trading people, from the Russian lands to the Atlantic. The Annals of Saint Bertin (861) relate that peddlers and merchants as well as adventurers dogged the steps of the Norse armies, and there are numerous allusions in contemporary writings to their commerce. Doubtless a large share of their booty was sold soon after its capture. "Economic history in recent years," writes Professor Thompson, "has shown that the Norse invasions were the most powerful stimulus to mediæval trade before the crusades." This judgment of the eventual results of their incursions into France does not necessarily conflict with the common opinion of historians that the immediate and very general effect was the rise of feudalism as the only alternative to anarchy.

Mention was made in a previous chapter of the commerce of Chappes, near the modern Troyes, which is thought to have been a center for the importation of Levantine merchandise into northwestern Europe at least up to Charlemagne's time. This business was in the hands of "Syrians" — under which general title were confused Syrians, Egyptians, Armenians, Persians, Greeks, and other Near-Easterners. The place-name Chappes is the Greek *Ῥαπέλος*, meaning "merchant," which became the Syriac *Kapla* and the Latin *Cappas*. We lose track of Chappes about the time of Charlemagne, but after the Norse invasions had passed, the great Champagne fairs appear, notably at Troyes, some two miles from old Chappes. The traders now appear as "Italians." How much the personnel had actually changed in character is a matter permitting of skepticism or belief, but not of certainty. The iconoclastic split between Constantinople and Rome may have encouraged some residents of Italian

towns to seek citizenship for the first time, or even to Italianize their names. The growth in importance of these towns may have had this effect also, or that of actually shifting the business to native Italians, or both. Once the crusades got well under way, the Syrian members of Italian firms were generally transferred to the East, and Italians sent to the West.

After the conquest of England in 1066 by a group of Northmen which had been settled in France for a century, commerce between the new and old Norman lands assumed considerable proportions. Merchants from Rouen exported French wines, cloth, and arms to England, and imported wool and metals. Silks, wines, and fruits from the Mediterranean region found their way northward in quantities, and Barbary horses came in from Spain. Henry II of England (1154-89) got all southwestern France as a fief when he married Eleanor of Aquitaine. The English trade for the wines of this region remained important for centuries.

The first important extension of southern European commercial life into mediæval North Europe was through the great fairs. Originally, the fair was a temporary market (German, *Jahrmarkt*, or "yearly market") where people might come together from great distances to exchange goods, but where there was not a sufficient volume of trade to keep the market going the year round.

Tradition has it that the fair of Saint Denis at Paris was founded in the seventh century. As indicated by many of the place-names, fairs and markets were often started under the protection of religion. Worshipers would congregate at some famous shrine on the feast days of its saint. Almost from the first, people took advantage of this assemblage from widely separated districts to facilitate exchange of goods. The pilgrim was often a trader, and the trader became a pilgrim. The Church was generally able to protect the peace at these religious gatherings which grew into commercial fairs. The tolls which so seriously hampered commerce and travel were often remitted in the case of pilgrims. When

the pilgrimage had developed into a commercial fair, the tradition of peace, protection, and large exemption from fees was carried over. The lord of the fair, who collected taxes for its privileges, often went to great pains to secure protection, toll-exemptions, and guaranties of fair dealing for those who came to trade. Among these special privileges was the suspension of feudal or personal law, and the use by South European traders of a common-sense version of their highly developed commercial code, which gradually grew into the "law merchant," the "private international law of the middle ages." A detailed discussion of the greatest of these fairs, those of the Champagne, may be deferred to the special chapter on commerce and industry.

The most important historically of the North European commercial towns were those of the Low Countries. This region included roughly the modern Holland and Belgium, together with some territory to the east, south, and south-west which is now in Germany and France. The eastern part was in the loose German or "Holy Roman" Empire; the western remainder usually being in some sort of feudal relationship to the Crown of France. Both Dutch and Flemish are Germanic tongues, but there was (and is) a fringe of French-speaking Walloons in the west.

Under the Romans the Low Countries had been of little commercial importance, lying as they did on the frontier of the Empire. When the Franks removed the frontier of European civilization to a point far east of the Rhine, the natural advantages of this intermediate region between Latins and Germans quickly made itself felt. It was the very antechamber, as Pirenne remarks, of Charlemagne's palace at Aachen. Its rivers stretched inland in three directions, and on the fourth side was the sea, making it the gateway of England — later, as shipping improved, of the Baltic, North, and Mediterranean seas. The early beginnings in commerce, industry, and finance were swept away by the Norse invasions, but a newer and more permanent economic growth set in immediately. Liège, seat of a bishopric, re-

appeared in the tenth century. Utrecht and Cambrai, also bishoprics, and the commercial towns of Ghent, Bruges, Ypres, Furnes, Lille, Brussels, Louvain, and Valenciennes, besides many smaller places, date back to the tenth or eleventh centuries. Through the Champagne towns, the Italian movement toward urban autonomy had reached Flanders even before it had captured all northern Italy. Here in the North, the chief magistrates were commonly called mayors, rather than dukes or consuls. Both Valenciennes and Saint Omer had commercial guilds from the eleventh century, and others doubtless existed of which we have no record. These were at first protective organizations of caravans of traveling merchants, making the rounds of fairs and markets. They soon set up headquarters in the thriving towns and became important factors in the corporate urban life.

It may seem that a good deal of space has been given to a mere introductory mention of town life and commerce. A discussion of the manor at its height, such as the next chapter will attempt, would be likely, however, to mislead any reader who had not been adequately warned of the increasing stream of trade which flowed by the agricultural villages, penetrating them to some extent. The number of people engaged in agriculture in northern Europe was overwhelmingly greater than that of traders and craftsmen; but commerce and industry were far more powerful as factors for change than any such figures would suggest, if it were possible to compile them.

SUMMARY

These few pages have dealt with so many complicated factors, nearly always working several at once, and over so long a period, that it may be helpful to summarize the main points. The fundamentals of North European tillage outlived the Roman occupation and became the foundation of a new system whose vestiges are still visible. Those fundamentals were: the furrow-turning plow, the division of open

fields into strips, scattered holdings such as to give the actual cultivators a most unusual equality (probably due in part to the recent importance of kinship in social relations, and co-operative handling of meadows, pastures, and arable land) — the whole system being evolved in and especially suited to a situation where no strongly centralized government existed and there was relatively little use of money or production for distant markets. The Romans temporarily superimposed central government, town life, money economy, and considerable production for markets. Their rule stimulated individual enterprise and the growth of private property in land, including both freeholds and great estates of aristocrats. The collapse of this system affected the thick political and urban surface it had added to North European society more than it did the fundamental practices and ideas, many of which were actually revitalized by a return to conditions more favorable to them. During the Germanic invasions the population of Gaul declined — Professor Usher estimates it at five and a half millions in the ninth century, or more than a million less than at the time of Cæsar's conquest. The attempt to maintain or reestablish a central government and an aristocratic class led to feudalism, a blend of Roman and German practices with elements added which were purely products of the times and conditions. The feudal land system spread from northern France into England and Germany. Northern Europe remained primarily agricultural throughout the middle ages, and it is important that its aristocracy lived mainly in the country, instead of casting its lot with the commercial towns, as in Italy. The towns of the Low Countries were more like those of Italy in this respect. Agriculture in this region also differed from that of neighboring ones, the manor being early and generally discarded in favor of individual exploitation.

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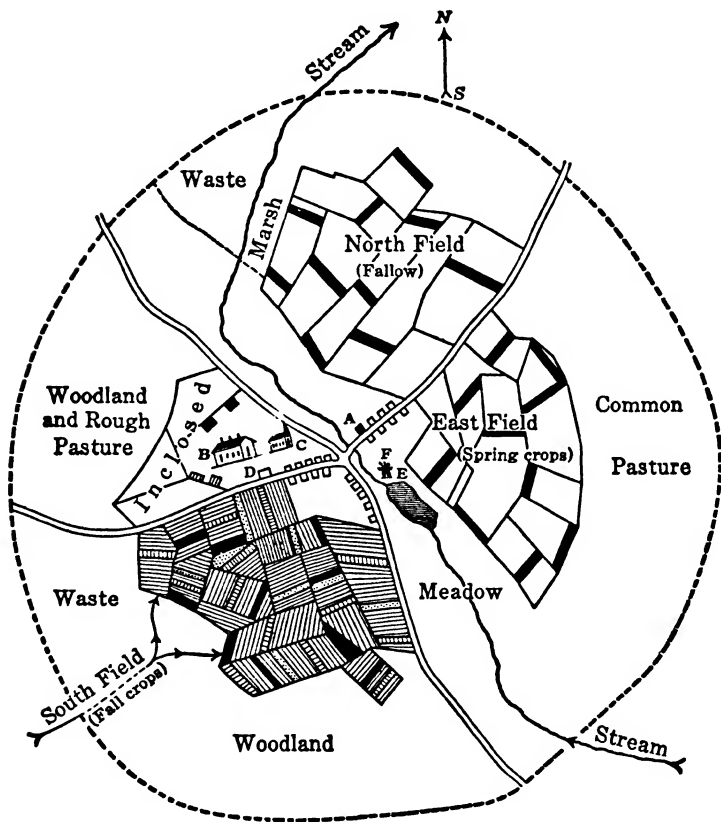
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Note: For the complete novice, the safest and most enlightening introduction to the moot question of the origin of the manor is probably the well-documented study of Lapsley, cited above. It is based chiefly on Kovalevsky, but the author makes many contrasts, and summarizes the most important contributions by German writers — for example, of the two Maurers. Boissonnade is soon to be issued in English by Knopf. It is an extremely useful book.

GROUND PLAN OF THREE-FIELD MANOR (*simplified*)

- (A) is a messuage or village plot, with cottage and garden. The thirty strips of this same peasant, A, in the three open fields, are also shown in black.
 (B) is the "Big House" or manor-house and outbuildings of the lord.
 (C) is the village church, and (D) the parsonage or priest's cottage.
 (E) is the pond, and (F) the mill at the lower end. The mill was often run by wind and located on high ground at the edge of the manor.



All the strips are shown only in South Field. Those of A, a villager, are black; those of the lord barred crosswise, and those which support the priest and church stippled. East and North fields would present a similar appearance; but all strips except those of our villager, A, have been left out to emphasize the scattering of his. Besides his strips in the open fields, the lord commonly had some inclosed areas or "closes," as they were sometimes called.

Suppose that it is May, 1250 A.D. On South Field, a crop of wheat and rye, sown last fall, is ripening. East Field has been sown this spring with oats, barley, and peas. North Field will not produce a crop this year, but is being used for pasture. Last year it produced a spring crop, and the year before a fall crop.

CHAPTER V

THE MANOR

PHYSICAL APPEARANCE

THE diagram on the opposite page is intended to convey some idea of the arrangement of an open-field village as it would appear to an aviator, flying several thousand feet above it. Such villages still exist in many parts of eastern Europe. They are no longer manors, but only the resisting physical shells of an age-old agricultural system which served its purpose well, but has at last outlived its usefulness.

In the center is the village, consisting of rows of thatched cottages with tiny gardens attached, on either side of a main street — in this case, a few on a side street. There were no village stores in the middle ages. The population consisted of peasants, and houses in the open country were very rare: that is, a village was simply a compact settlement of people who lived by tillage and herding. As in eastern Europe to-day, the distinction between village and town was one of occupation; agriculture in the former case, trade and industry in the latter.

To the left is the "big house" of the proprietor or lord. Around it, at a respectful distance, are various farm buildings, a church, and a parsonage. Not far away is a group of enclosed fields, which the lord or his steward or bailiff (we might say his foreman) farm to suit themselves, the labor being furnished, however, by the villagers. On both sides of the stream stretches a wide band of meadow, the best land on the manor.

Particularly to a modern American observer, the most striking thing in this bird's-eye view would be the three great open fields, containing the bulk of the plow land. Their intricate arrangement in strips (indicated in the diagram only in the case of South Field) would have to be explained

to him. The strips vary a good deal in length and width, and some even taper from one end to the other, or bend to conform to hillsides, marshes, or stream; yet there is a striking general uniformity as to size and shape. This standard size, followed wherever convenient, is about forty rods long by two or four rods wide. Forty rods is a furlong (contraction of "furrow-long"), traditionally supposed to be the distance which an ox team could pull a plow without stopping. Amounts of land are reckoned in acres or in roods. The rood is forty rods long by one rod wide, and thus contains a quarter of an acre.

Each strip is divided from the neighboring ones by a balk — a ridge of turf originally created by plowing furrows up against each other from either direction. Wider balks separated the groups of strips (shots, flats, furlongs) from each other. A shot was theoretically forty rods (that is, a furlong) square, but in actual fields this norm could be followed only in the loosest way. The strips of a single village family do not lie side by side, but are scattered over the three fields, about one third in each. The share of the peasant A in the tilled fields is shown in the figure by blacking in his strips. He has two oxen, and his holding is the full virgate, in this case about thirty acres.¹ His neighbor B has but a single ox, and his holding, half as large as A's, is known as a bovaté or oxgang. The lord also has strips in the open fields, as well as (in this case, though not always) certain enclosed plots outside.

For simplicity's sake, no headlands are shown in the diagram. Wherever possible, a crosswise strip was left at the end of a shot or group of lengthwise strips, to turn on in plowing the latter. This headland (*Anwende*, or "turning-place") was of course plowed last. In actual fields, sloping this way and that and variously broken up by natural features of the landscape, the strips faced in all directions, as

¹ In England, exactly 30 acres seems to have been less common than 28, 32, 24, and 36. Virgates ranged all the way from 12 to over 60 acres.

indicated in the figure. In plowing one man's strips which "butted" into those of other men at right angles, or other angles, the plow must be turned on some one else's land. Thus a vastly complicated fabric of local custom grew up to regulate such questions as which man's land was to be plowed first. By ancient custom, holders of some strips would possess headland rights in other strips — that is, the right to plow first and to turn the plow on the other men's holdings.

The glebe was the land (stippled or dotted strips in the diagram) set aside for the support of the Church. While it was commonly in the form of strips in the open field, the Church sometimes held separate, enclosed plots. Specially favored freemen often had enclosures also.

The part of the domain or demesne (lord's land) which consisted of strips in the open fields was necessarily worked in exactly the same way as the peasants' holdings which surrounded it. It was plowed, sown, harvested, and pastured according to the village customs. The purpose for which they were set aside, not the method of tillage, made the essential difference between village holdings and domain or glebe land.

EXPLOITATION

The dual nature of the manor as an organization becomes apparent when we turn to the method of exploitation. On the one hand, it was a village association of peasants in the joint enterprise of working certain lands for a living. The shareholders in this enterprise elected leaders to enforce adherence to the ancient customs which regulated nearly everything. If these customs had to be reinterpreted in the light of new conditions, or if difficulties in their execution occurred, the matter was taken up by the general meeting or court. The manor might be dealt with from this one-sided viewpoint entirely, and the lord treated as an unhappy accident, superimposed by force, requiring the peasant association to produce beyond its own needs in order to maintain him in his social, military, and political connections. Viewed from the

lord's angle, on the other hand, the manor was his estate, or one of his estates, if he held a number. To him it was part of a fief, and as such its purpose was to furnish him with the means of maintaining himself, his family, and his followers in their fitting relationship to feudal society and the Government. He or his agent presided over the manorial court which designated the various peasant leaders, transacted business, and meted out justice.

These two aspects of the agricultural settlement were really more or less separate factors, sometimes working harmoniously together and again sharply opposed. The lordly point of view asserted itself in a growing body of legalistic written theory, often founded on baseless historical assumptions which the illiterate peasantry was in no position to disprove. For instance, there was the theory that all tenure originated in grants from lords. The lords, lay and clerical, often claimed the meadow as part of the domain, and tried to make the villagers' use of pastures, woodland, and waste dependent upon their will. The legal theories made little difference as to land already in use. A virgater (that is, an ordinary half-free villager) usually managed to get the traditional amount of meadow and of pasturage rights for his two oxen and eight sheep. He continued to cut firewood and turf according to custom and to turn his pigs into the woodland or waste. But the lord was able to take advantage of changes as the villagers were not. Most important was the clearing of new land for tillage or meadow. Lesser opportunities arose from time to time, such as the final extinction of a direct line of peasants holding a virgate. The chief general limitation to the application of feudal ideas to the manor was the economic interest of the lord. While custom limited his use of the land in many ways, on the other hand it provided him with labor and dues, and enabled him to hold his stewards and bailiffs in check. Should the peasants' rights become weak and vague, an incompetent or dishonest steward might bring the whole enterprise to disaster, a situation as little desired by lord as by cultivators.

In England, and later in the middle ages in France also, the central Government took a good deal of interest in the manors. This was some protection against outrageous encroachments by the lord, particularly upon freemen, who had legal rights beyond the manor court. The Church, too, helped to guarantee a certain amount of justice and humanity. Peasants on both royal and Church estates were generally the best treated, and the moral, legal, and political influence of State and Church beyond their technical domains was very great. The example of their better methods was all the more powerful because they stood ready to absorb private rights, title, and authority in cases where notorious failure to live up to their standards of prosperity and contentment paved the way.

From February or early March until mowing time (about the first of July) the meadow land was fenced in. Hedge was the commonest type of fence, though some old, rich communities used stone. Brush, hewn wood, and turf were also employed. Meadow land was commonly marked off in half-acre plots, which were rotated by families or apportioned by drawing lots, much as in the more primitive village. A certain share usually went with a virgate. Sometimes specific plots went with certain virgates, the peasant thus having the same part of the meadow year after year. This was merely the general trend of manorial development — that is, toward specific, permanent claims — applied to the very heart of the primitive coöperative village organization, the meadow. After mowing time, sections of fence were taken down and the meadow used for grazing; that is, roughly from July to February.

Rights in the common pasture were likewise linked to holdings in the arable fields. A full cultivator or virgater would normally have a right to pasture two or three oxen, cows or calves, and about eight sheep. If he turned out more, he would be fined. The village cowherd and shepherd drove their respective charges to the commons in the morning and brought them back in the evening. Except in the winter

months the sheep were folded in the fallow field, in one already harvested, or in some designated enclosure of the lord's, if he enjoyed special sheepfold rights. Such rights were particularly prized, and sheep were often kept because of their value for fertilizing the soil, even the wool being a secondary consideration.

There were sometimes special limited pastures, on which even those villagers who had general pasturage rights could not graze their stock. It seems to have been common to assign these to such necessary people (non-virgaters) as the parson, the blacksmith, etc. Toward the end of the middle ages a good deal of arable land was converted to restricted pasture, in cases where the strips could be exchanged and consolidated so as to permit of the change. Before this could be done, however, a more scientific way of dealing with the hay problem had to be found; for the limitation upon stock was the number which could be wintered, meadow land being chronically scarce. The main item necessary to this solution was the introduction of hay crops superior to the natural grasses used at the height of the middle ages. There must be a break in the fatal circle: insufficient hay, shortage of stock, lack of fertilizer, low fertility of soil, and want of surplus grain. The fields cropped during the given year were opened to common pasturage after harvest. The fallow field was of little use as pasture, because it was commonly plowed twice during the spring and summer — a third time just before the fall sowing.

Most of the calves and less promising cattle were slaughtered at the opening of winter, and the carcasses either hung up or packed in salt. All were spared which could possibly get through in a state of semi-starvation. Hay was eked out by the use of twigs and branches, cut in woods or waste land. For these, the acorns gathered for hog feed, and for the peasant's own fuel, he was usually charged special dues by the lord. Even the pigs, comparatively cheap meat in the open months, had a hard time of it in the winter. The problem of winter feed was equally serious with poultry. Of

the mainstays, only the bees were easily cared for. Some districts depended a good deal upon fish, but even these were more difficult to obtain in cold weather. The winter meat shortage, as well as the love of outdoor sport, helps to account for the popularity of hunting and the prevalence of game preserves. Pigeons or doves were also kept by thousands for the same reason. Dove-cote privileges were among the chief grievances of the peasants against the lords. The villagers were usually forbidden to kill wild game, even though it destroyed their crops.

The fall crop of wheat or rye (or a mixture) would be sown in the South Field of our diagram sometime in the latter part of August, or during September or October. Each acre strip received about two bushels of seed — probably less, on an average. A yield of ten bushels per acre was about the maximum — only eight bushels net. This was the slender reward for three plowings, clod-breaking by hand, several harrowings (by dragging a small tree or a heavy branch, weighted down, over the surface), sowing, weeding, harvesting, and threshing.

Spring plowing and sowing were done during February and March. About four bushels of oats or barley were sown to the acre; of peas or beans half that amount. The yield of oats and barley was usually less than fifteen bushels, leaving say ten bushels net, over the seed. The spring crops required less labor for a given unit of food value. Barley, oats, and rye were the standbys of peasant diet, the one emphasized depending upon local conditions.

The villagers had to till and harvest not only their own strips, but the strips and enclosed fields of the lord as well. They worked in gangs, much of the tedium being dispelled by this fact. For the actual operation of reaping, these big groups were subdivided into crews or units of about five men each.

THE LORD AND THE DOMAIN FARM

The labor of farming the domain — strips, closes, and meadow — was done by the villagers. Each unfree virgater

had to furnish the lord a certain number of days' labor per week. The commonest figure seems to have been three, though it was sometimes two, four, or even five days. These particular dues were called "week work." The labor was not paid for — it was a customary obligation which was assumed with the virgate, and not the only one. Custom fixed what the peasant was to bring with him, such as oxen, plows, or tools.

Where four or five days' week work was furnished by a single virgate, it is obvious that the holding supported more than one peasant. In England, and quite generally in France, the virgate could not be divided in respect to its responsibility to the lord; but the families of course increased nevertheless. One son would be integrally responsible for the dues in produce, labor, and money; but two or three others, with their families, often got their living from the holding. It must be remembered that divisions like the hide and virgate are artificially standardized in manorial records. Some virgates were much larger than thirty acres, and some hides which were taxed as one hundred and twenty acres are known to have contained as high as one hundred and eighty. Productive capacity as well as acreage was taken into consideration in arranging local dues and national taxes.

In addition to week work, special services known as "boon works" or "boon days" were required at times like the harvesting season. These boon days were especially valued by the lord, and continued in many cases long after week work had been commuted to fixed money payments. In recognition of the peculiarly exacting nature of such services, at the most critical times in the peasant's own agricultural operations, the lord was often required by custom to furnish meals, wine, beer, etc. Many records go into meticulous detail as to what fare must be supplied at the various seasons of boon work.

Not all the work was in the fields. Repairs to manor house and outbuildings, the building and mending of fences, and

other similar tasks were performed by villagers. In France, where there was much war and the stone castle was common, the moats had to be cleaned out and kept in repair. There would be such a castle on the home manor of the feudal noble who held a number of such estates as a fief. The others might either be managed by his hired intendants or sub-infeudated to lesser nobles, who became lords of the particular manors they held, though not technically "lords" in the feudal system, since they had no nobles under them. They were the gentry, in the feudal hierarchy as sub-vassals, but on the outer fringe of the nobility. Here was the line between feudal and manorial relationships — feudal from the manorial lord upward, manorial from him downward (within the estate).

There were various special services besides the ones mentioned above. Villagers were sometimes obliged to do guard duty. As a general thing, the servile or half-free people did not go to war, but even this rule was not always followed. Not all the villein services were in terms of days, but sometimes a fixed amount of plowing, sowing, or other labor had to be performed, irrespective of the time required. Carting was another important service, one of the last to be relinquished by the lords.

The domain was a "farm" not so much in the restricted modern sense of the term as in the broader original one still retained by the French *ferme* (that is, "concession"). It exploited not only land, but also labor and the community organization as a whole. Either directly requisitioned or paid for out of peasant dues, the lord got his personal servants from the lower orders in the village. The half-free villagers were more advantageous to the lord than slaves, since he would have been responsible for the maintenance of the latter, while the former must keep themselves. The legal excuse for his existence, living on the surplus of their labor, was the fiction that they derived from him the privilege of working their lands, for which they paid by working his also and by numerous other dues. In fact, lords continued to exploit

villages (the word "exploitation" is an inheritance from the manorial order) because they possessed the organized force and authority. The importance of this military force, for protection, was the very foundation of the mediæval order.

Besides labor dues, the lord "farmed" the village for various provisions. Vinogradoff gives the manors of the Abbey of Ramsey as an illustration. Every fortnight they had to supply 12 quarters of flour, 2000 loaves of bread, 24 gallons of beer, 48 gallons of malt, 2 sesters of honey, 10 fitches of bacon, 10 rounds of cheese, 10 very best sucking pigs, 14 lambs, 14 geese, 120 chickens, 2000 eggs, 2 tubs of butter, and 24 gallons of ale. Money was paid instead of the bacon and cheese during Lent.

The burden of entertainment (*gîte*), mentioned so often in connection with feudalism, was largely passed on by the lord to the village or villages. In case of a visit from some one who had the right to be entertained in a certain style and for a given length of time, together with a customary number of companions and followers, the village was liable for special dues in kind, delivered at the "big house," and also directly for the housing and entertainment of the lesser folk.

CLASSES AND VILLAGE ORGANIZATION

Since the manor was exploited chiefly by a system of customary personal relationships, not by the impersonal money and credit economy familiar to us, or any considerable purchase and sale in open markets, the question of social classes is a vital one. The most conspicuous class has already been dealt with in some detail — that of the unfree virgater or half-virgater, who held his thirty acres of strips, more or less, and was subject to week work, boon work, special services, money dues and dues in kind.

Freemen and sokemen (sometimes the terms are used interchangeably) were exempt from some of these dues and had special privileges. Technically, the sokeman (socman — subject to the lord's *soc* or jurisdiction) did not have the right to sue in the royal courts, while the full freeman did, but the

legal situation was so varied and complicated that this distinction meant little. The only safe generalization is that the freeman or sokeman was exempt from what were regarded at the time and place as servile conditions of tenure. As to the most widespread notion of what "the certain mark of servile tenure" was, Ashley and Seignobos are roughly agreed, which indicates that English and French ideas were similar. Generally speaking, the man was not free who had to get his lord's consent in order to give his daughter in marriage, or to sell an ox or a horse; but there were many exceptions to this or any other general rule which could be laid down.

From the purely economic point of view, it is more important that the freemen were commonly exempt from week work, might hire substitutes for the boon days, and generally paid established rents — "rents of assize." Where there was any money economy worth mentioning, these dues were paid in money or things evaluated in money, such as hens, eggs, etc., at fixed rates. The freeman was often exempt from heriot or relief, or both. Heriot was the fine consisting of the best animal or other property of a deceased tenant. It had its origin in the early German *comitatus*, in which the chief outfitted the follower, and received back the outfit upon his death. The relief, as in the feudal system, was a money fee or fine paid to the lord by an heir when he received his inheritance at majority. Exemption from these fees, especially the heriot, would indicate a recognition of ancientness of tenure equal to the lord's, and not derived from him.

Free tenancies were as diverse in size as in variety. One freeman would be a fairly large tenant, with ordinary cultivators dependent upon him. He might even have enclosed fields, like the lord. Another would hold merely a virgate or a fraction thereof, live in the village, and be scarcely distinguishable from the unfree population. The really important economic fact about the freemen is that they were a special source of revenue to the lord. Their fixed rents were extremely important in the organization of the domain farm. They enabled the lord's steward or bailiff to pay himself out

of profits, to provide a staff of servants, clerks, and some laborers, and thus in a measure to keep the domain from losing its identity as a superimposed control mechanism over the village.

The intendant, bailiff, or resident overseer of the estate was often an able man of peasant stock. Sometimes these positions became hereditary in families. In cases where the same lord possessed a number of estates near each other, he often had a general agent or overseer (*intendant*, *provost*, steward, *Amman*) to look after the group. The resident bailiff farmed out special monopolies of the lord, such as mill, winepress, and market, to lesser concessionaries. He collected the taxes and fines, saw to it that the labor dues were rendered, and generally managed the domain in the lord's interests and his own. He did not usually draw a fixed salary, but treated his post more as a farmed concession.

Next below the freemen were the standard villagers, the villeins or virgaters — half-free. Some writers designate these as serfs, a term likely to suggest less freedom and privilege than they actually enjoyed. East German peasants of the eighteenth century, and Russian ones until far into the nineteenth, were used as house and personal servants at the will of the master. They were not paid for such service, nor was it limited or defined by custom. This lacks, of being downright slavery, only the right of the master to sell them separately from the land, and even this was actually practiced in Russia. "Serf" has been so generally used to characterize these Russian peasants that it has become an objectionable word in connection with the mediæval manor.

House servants on the manor were often a separate class, maintained by the domain farm and with their own status. When personal service in addition to the customary days was demanded of villagers, they were supposed to be compensated. Manorial discipline was based on a sort of caste system, each class marked off by liability to or exception from special exactions, but within his own class a man's rights were pretty well defined and protected. While the

villein had no legal recourse against the lord if the latter chose to increase his dues, in every other relation except that with the lord he was considered free.

The common need of lords and cultivators to keep the customary duties carefully defined and observed, in order to keep the exactions of stewards and intendants from crippling the manor, led to the compiling of elaborate records. Another reason for reducing the dues and customs to writing was the increased movement of the peasantry late in the middle ages, making oral testimony more difficult to obtain. The manorial court records yield us some of our most valuable information. Copies of the entries were later accepted as proof of title, and the vast number of English farmers who based their claims on such records were called "copyholders."

Below the virgaters or villeins was an anomalous class of cottagers (cotters, crofters, bordars, *Kossate*). They had no oxen, paid light labor dues for cottages with small plots of ground attached, and eked out a living by working for the classes above. The English Domesday survey of 1085 shows thirty-two per cent of cotters or bordars, and thirty-eight per cent of villeins. The nine per cent of *servi* or slaves disappeared within a few decades.

The cotter group was very important as the source of employed labor. When a general movement toward enclosure set in toward the end of the middle ages, large numbers of cotters were cast adrift, furnishing a floating population which crowded into the towns to form an industrial proletariat or gathered on farms as agricultural wage laborers. As a class, the cottagers formed a sort of sub-stratum of feudal-manorial society which caught discards and misfits from above, living miserably and precariously on the border-line of starvation.

In Germany and the Low Countries, there were more free-men (*freien Landsassen, Laetes, Landsiedeln*) than in England or northern France, where the early rise and consolidation of feudalism had tended to bind all to the soil. Feudalism was a feeble force in the Low Countries, due to the extraordinary

growth of towns. Here a freeman was such in fact as well as in name — he could move. The same was true of Germany before it was caught in the eastward advance of feudalism. France also had a slightly favored class of “free villeins” (*vilains francs*, as distinguished from the *vilains serfs*). By a very nice legal distinction, the “free villager” was robbed of his actual freedom of movement: while he was supposed to enjoy a shadowy “personal” liberty, his *tenure* was held to be contractual, and not to be cancelled without the lord’s permission. This, coupled with the fact that he personally tilled the soil, put him in the despised caste of cultivators and practically placed him in the social position of a *roturier* or ordinary villager. On the other hand, he was accounted a contractual tenant or leaseholder — that is, his tenure was not technically servile. He had to pay cash rents (*cens*, *oublis*), dues in kind (*champarts*, *agriers*, *terrages*), but beyond this, the produce was his. His heir had to pay a succession tax (*relief*, *double cens*), or the holding could be alienated, subject to the payment of taxes called *lods et ventes*. The fees known as *lods et ventes*, which never disappeared until the French Revolution, applied also to the transfer or sale of villein property. *Taille* was a more general term for both regular and special money taxes laid upon households. It was more arbitrarily dependent upon the lord’s will than the *cens*, and might be increased in amount or frequency of collection unless he had restricted himself by contract to a fixed sum. As time went on and the central Government was strengthened, the *taille* became a land tax in the more modern sense, levied by the Crown, and the word *cens* was used to designate a ground rent to the proprietor. The capitation or poll-tax was not very common, and was hotly resented by peasants. For example, a national poll-tax was the immediate occasion for the English Peasants’ Revolt of 1381. Road work and other similar labor in gangs was known as the *corvée*.

Some of the miscellaneous obligations show the influence of feudalism. The lord’s right of wardship and marriage in the feudal system had its counterpart in the manor. The *mer-*

chet or marriage fee demanded of a woman of villein rank was a reminder of the ancient status and obligations of her class if she married a man of the same manor. If, however, she married outside her village, a much heavier fine might be imposed because of the loss of her labor and that of her descendants. Chevage was a fee charged for the privilege of working outside the manor. Mortmain was the lord's right of escheat — to take back the holding of a villein who died without direct heirs under his roof. If the lord granted the holding to a direct heir who had moved away, or to some relative not a direct heir, a large fee might be assessed. If in money, this tax was exactly similar to a feudal relief; if in the form of a piece of property, it was the heriot (German *Tod-fall*). Succession customs varied a good deal by localities. At the outset they had been practical attempts to meet actual conditions. Primogeniture was the logical thing where labor was felt to be scarce. The eldest son, the heir, might grow to manhood, marry, and have good-sized sons of his own before his father relinquished the virgate. If waste was being reclaimed, the younger sons, perhaps with families also, would remain in the village, either occupying newly cleared lands or getting their living from the original holding. Where land was scarce and the pressure of population great, the younger sons, far from being held to the manor, would be encouraged to join new colonies or move to towns. Ultimo-geniture, or inheritance by the youngest son, was adapted particularly to overcrowded regions. In this case the older sons would get out at maturity, and the heir's family would probably be small when he took over the virgate.

The place of clearing and colonization in mediæval agriculture as a whole is quite generally neglected by writers on the manor. New areas were constantly being cleared, and the frontier of Germany was on the march eastward from the Elbe, into the country overrun by Slavs during the migrations. The great land reclaimers were the monks. Monasteries grew and multiplied, not only through pious gifts, but also because of a great exodus to new sites of the excess popu-

lation of older manorial communities. The expansion of an old manor into the surrounding wastes was often accompanied by a growing infringement by the lord upon the original rights of the cultivators. Some measure of this encroachment may be taken by observing the superior position of peasants on the older royal manors of England, where less change had taken place than in the case of lordly estates.

Most enviable of all was the lot of the peasants on Church lands. They were freest of all from the scourge of war, the great devastator of agriculture. The clergy constituted the one generally literate class in northern Europe. Latin works on agriculture, such as those of Cato, Varro, Columella, and Palladius, were preserved and applied to some extent. Methods of tillage were generally more enlightened, and the danger of famine correspondingly less. The cold selfishness which sometimes characterized individual exploitation of defenseless commoners was largely absent.

Lordly and peasant government coalesced in the public meeting or court. Some writers have tried to distinguish formally between three kinds of manorial courts: the court baron of the lord in his rôle of feudal landholder, the old customary court of peasants only, and the court leet (German *Leute*=people) of Norman manors and English parishes. To these authorities, the manor court was a court baron when it dealt with inheritance, transfer or grant of lands, fines for breach of customs, election of officers, etc. When it dealt with purely peasant matters, it was a customary court. It was a court leet when it took up such matters as petty crimes and offenses, breaches of contract and assize (that is, established prices, quantity or quality of bread, ale, etc.) or the regulation of frankpledge groups. These compulsory groups of villagers, all members of which were responsible for the conduct of each, were an institution of the village as a part of the State and not manorial.

In practice there was usually but a single court, which met periodically to transact whatever business required attention. It looked after fines, heriots, reliefs, regrants, the ap-

pointment of village officers — the same kind of public matters came up in our own town meetings in early New England. The lord or his representative presided. The representative was not necessarily his employee. Many manors were practically administered by reeves chosen by the manorial courts from among the tenants. Often there was also a bailiff or lord's overseer, but on a small manor the two offices were sometimes combined in the same man.

Among other important officers appointed by this meeting was the "hayward," who had nothing to do with hay, but was really a warden of fences (that is, "hedges" — German, *Hag*; Saxon, *Hege*). His duty was to see that the fences and their gates were kept in repair, that the fields were cleared of stock at plowing-time and thrown open to common pasture at the customary time in the fall. In England this latter was called "Lammasday," and was celebrated by a village festival. The word "town" itself originally meant a hedged-in place (Old German, *Zun* or *Tun*; Modern German, *Zaun* = hedge).

The privilege of levying and collecting certain fines was called the "right of justice," and was simply a lucrative part of the domain farm. Both free and half-free tenants were summoned as jurors (French, *juré* = one sworn). It was not until comparatively late in the middle ages that these public meetings began to be broken up into more specialized judicial, legislative, and administrative bodies. We do not have to go back as much as three centuries to find the word "court" used to designate a general meeting of villagers, townsmen, or stockholders.

THE MANOR AS AN ECONOMIC UNIT

For the times and conditions, the open-field manor was about as efficient an agricultural unit as could have been found. If its social structure and reliance on tradition hampered progress, on the other hand they prevented decay. Its greatest drawbacks from our point of view were inherent rather in the general situation than in the manor itself.

There was not enough central government and protection of life and property nor good enough roads to permit of any great interchange of products between localities. If hail or drought resulted in local famine, there was no adequate organization for bringing relief, even from an adjacent prosperous county. There was no great surplus anywhere. All the manors lived practically from hand to mouth. The small yield was an inevitable corollary of want of capital and trade. Few localities — only those nearest the towns — could specialize in the products for which they were best suited, because they could not depend upon marketing them or getting the others from outside.

Comparison with later times is particularly difficult, since the manor was not managed for profit so much as for obtaining a livelihood. It could not have supported a dense population, but it did not have to. The villein's house was poor and dirty, and its furnishings meager. Probably his modern descendant is better off, on the average, in this respect. He was more coarsely clad than the modern laborer — perhaps less comfortably. On the whole, the villein was probably as well if not better off as to food than the modern European unskilled laborer, and somewhat worse off than the skilled laborer, especially as to variety. While the mediæval villager had no part in such central government as existed, this was largely offset by the fact that government was chiefly local. His voice in village and parish affairs was at least as great as that of his modern descendants. "One thing," as Gibbins suggests, "perhaps balances another."

There is always the possibility that an increase in material goods will entail a still greater one in wants, so that contentment may relatively decrease. A rigorous life itself engenders the hardihood to support it, and a system of castes is not particularly galling to people accustomed to nothing else. The sociability of village life was a source of well-being in a very real sense of the term. Those intimately acquainted with the eastern European peasant of to-day are usually great admirers of his personal qualities. He often

sings at his hard tasks. Sunday and holiday group dances and other social gatherings are singularly gay and happy.

The manor did not decay through inability to meet the conditions which produced it, but rather because those conditions passed away. As long as communities remained relatively complete units, sufficient unto themselves, division of labor between regions was out of the question, and minute specialization of functions within the village was unnecessary. Both types of specialization or division of labor are highly advantageous where possible, enabling the region to exploit its special resources and the individual his peculiar talents. It was the gradual appearance of these possibilities, through improvements in transportation, finance, and government, which undermined the manorial organization.

CHANGES IN THE MANOR

In considering the changes which the manor underwent, it is necessary to remember constantly what the institution was, as distinguished from the various elements or factors which were combined in it. First, there was the open-field village. Second, there was the lord, with his domain farm. Third, there was villeinage — the half-free, customary relationship of the bulk of the peasantry to the lord. Fourth, the fabric of feudal relations, while it technically touched the manors only at one point, the lord, was nevertheless spread over them, and furnished a large portion of the system and uniformity which makes the manor a sufficiently generalized institution to be worth studying.

Open-field tillage only partially decayed before the nineteenth century. Half the English county of Cumberland was still unenclosed in 1794. Open-field methods were very common in northern France up to the Revolution. In Germany, they were a real factor in agriculture during half of the nineteenth century. In Russia, they have not entirely disappeared even yet, in spite of the drastic reforms of 1861, 1906, and during the period since 1917. The lord was only gradually transformed from a domain farmer into a collector

of rents. It was the collapse of feudalism before the onslaughts of central governments, the liberation of the serfs, the development of markets, and the growth of specialized farming for the market which so changed and diversified the manors that a generalized institution was no longer visible. Villeinage sharply declined in England during the fourteenth century and slowly died out afterward. The French crown serfs were all freed by about 1350. As in England, those on private estates gained their freedom by individuals or groups, or were able to rid themselves of particular servile disabilities, until the last vestiges were swept away in 1789. The last German villeins were freed by decree during the Napoleonic Wars, but it was several decades before this was fully effective in fact. Those of Russia were emancipated between 1861 and 1866, though vestiges of lordly exploitation and oppression lingered on.

General changes in the manor, followed by its disintegration, took place first in the Low Countries. Much of this region had consisted of marshes and half-sunken coastal plains. It was made cultivable only by vast labor, and a large part was unsuited to the manorial type of organization from the beginning. The terrible inundations — no less than thirty-five from the eleventh to the thirteenth centuries — which created the Zuyder Zee, the Dollart, and other lesser gulfs led to the expenditure of enormous amounts of capital for sea walls, dykes, canals, and pumping apparatus. On the fertile lands thus reclaimed grew up an intensive type of farming in enclosed rectangular fields. The early rise of commercial towns on the harbors and along the navigable rivers made it possible to produce for market, and hence to specialize in profitable crops. The use of money became general. Besides the strategic position of the Low Countries for trade, the towns became a sort of banking headquarters for the papal collectors in that part of Europe. English taxes to Rome came chiefly in the form of wool and other raw materials, to be converted into money in the Netherlands.

Under their peculiar conditions of production and market-

ing, the Netherlandish farmers could not use the three-course crop system of the manor. Much of their land had never been arranged in strips. Scarcity of land relative to population forced them to seek productive and non-exhausting crop cycles, and to develop the scientific use of fertilizers. Instead of the manorial three-year régime of fall crop, spring crop, and fallow, a five-year, seven-year and even up to an eleven-year cycle of crops in rotation was developed. It was from the Low Countries that clover and sainfoin were brought to England.

The existence of this intensive and individualistic type of farming in the Low Countries profoundly affected agriculture in the near-by French lands, and still more in Germany. Crowded at home and lured by free land abroad, Dutch and Flemish colonists pushed eastward and southeastward, reclaiming the low margin of the North Sea and joining with the Saxons in clearing and developing the Low German lands. Up the Rhine, the final southeastern frontier of the Dutch type of settlement rested about on a line with Düsseldorf. Beyond this, the individual farmsteads thinned out and the three-field village predominated. The Dutch settlements reached eastward through the swampy country about Bremen, and thence northeastward across the Elbe into Holstein and Schleswig. From this advanced nucleus they spread eastward into Prussia proper and southeastward into Brandenburg, wherever seacoast, marshes, or sluggish rivers produced conditions particularly adapted to Netherlandish methods. Dutch colonists were mixed with Germans, and also with Slavs on the eastern frontiers. Favors and inducements to these welcome immigrants were a traditional policy of German rulers far into modern times. The progressive trend of East German agriculture has never been entirely lost, though the relative personal freedom which accompanied frontier conditions finally gave way to the bitterest serfdom following the Thirty Years' War (1618-48).

Most of the territory west of the Rhine had at least been cleared in late Roman times. East of that river, the popula-

tion had never been dense, and most of the land was covered with forest, underbrush, or swamp, with only a clearing here and there. In France, the vast surface cleared by monasteries and laymen in the middle ages thus represented restoration for the most part; but in Germany it was true pioneering. As late as the eleventh century, missionaries told of journeying for days through German forests without encountering a human being. Yet this comparatively empty land was capable of supporting a population of about a hundred to the square mile by mediæval agricultural methods. Colonies, especially of monks, settled here and there, first along rivers and main roads or in the outskirts of forests. Within three centuries, the country was dotted with commercial cities and covered with a network of manors, farms, and monasteries. Part of this came about by immigration, and a great deal by population increase. From the North Sea to the High Alps, from the Rhine to the Vistula and beyond, stretched a new civilization where forests and marshes had been, broken here and there with a pastoral village, with perhaps a patch of half-tilled arable land. The variety of agricultural institutions in this German country was largely due to the diverse origin of the colonists who had developed them.

France (within her 1914 boundaries) probably had a population of five or six millions in the ninth century. By the end of the middle ages, this had practically quadrupled, and remained fairly stationary around a hundred to the square mile — all that mediæval agriculture could support. This four hundred per cent increase tells its own story of the vast process of clearing and settlement. Monastic colonies and settlers from old communities reproduced in new regions the institutions they had known in the old. There is nothing surprising or mysterious about the general uniformity — any more than there is about the similarity of township and county organization in the American West to that in the parent communities on the Atlantic seaboard.

A similar process of clearing and settlement went on in

England. Forests were cut down, marshes and wastes reclaimed. The movement of population was generally north-westward — that is, spreading out from the coasts nearest the Continent, which had been fairly populous at the time of the Norman Conquest. England remained a relatively backward country, however, until well beyond the close of the mediæval period. On the same basis as the Continent, her soil should have supported a population of five millions or more — a figure not attained until the seventeenth century. Still, the number of Englishmen probably doubled between the Norman Conquest and the opening of modern times. The Domesday population (1086) is commonly estimated at 1,800,000.

Probably not over a quarter of the land in the Low Countries was cleared and under cultivation at the opening of the eleventh century. By the end of the fourteenth, practically every available acre was utilized, and vast numbers of people had emigrated besides. All but a very few of the towns and villages of the region were in existence at the close of this period. Orchards, dairy farms, market gardens, and even some vineyards, where climate and soil permitted, marked the growth of specialized effort, skill, and knowledge. Varieties of stock, grains, and fruits were bred up, crossed, brought in, and acclimated. The more serious diseases of domestic animals were studied, and an empirical veterinary science sprang up. Land was shifted from arable to pasture and *vice versa*, depending upon its needs and the market. Most important of all was the introduction of forage crops, which made possible the modern type of rotation. Towns as well as monasteries and princes interested themselves in the reclamation of lands and the improvement of tillage. One of the final marks of economic integration in any country is the application of the commercial ideas of capitalization, specialization, and production for profit to rural enterprise. This took place in the Netherlands before the end of the middle ages. Successful business men from the towns bought estates and exploited them with the open-mindedness

and sagacity which had made their fortunes in their earlier competitive activities.

Central France was a region of mixed institutions, partaking of the nature of both the commercialized and industrialized Mediterranean region and the more typically agrarian North. While little attention has been paid in these pages to the agriculture of southern Europe, it must not be supposed that it was unimportant or stagnant. The northern or Christian part of Spain was being reclaimed and settled. Agricultural practices came more and more into line with the progressive methods of the Moors. Great irrigation works were developed in the Italian city-states. As in the Netherlands, communes and princes vied with abbots in building reservoirs, straightening, deepening, and restricting the courses of rivers, and digging canals. The Grand Canal of Lombardy, constructed between 1179 and 1257, poured the waters of Lake Maggiore upon some eighty thousand acres of land in the valleys of the Adda, the Oglio, and the Po.

Feudalism and the spread of the manor with the growth of population were enormously powerful factors making for system and uniformity in North European agriculture. The very fact that the growth was social and in a very real sense organic must guard us against overestimating this uniformity. Monasteries, lords, and free peasants did not colonize exactly alike, nor were the institutions in their various places of origin identical. The general necessities of local sufficiency and carrying on without much commerce tended to make the various agricultural units similar, but on the other hand their relative economic independence of each other was a real force in the opposite direction. In some localities, near towns, money economy came in and the self-sufficiency became weakened so early that the main factors for uniformity hardly applied at all. Moreover, the larger towns were able seriously to weaken the grip of their feudal lords by purchase of rights, by force, and by allying themselves with the central governments. This variation in respect of the importance of trade and markets leads Professor Gras to distinguish be-

tween rural and urban villages. To the former class would belong only those outlying manors which had little opportunity to exchange goods.

DECLINE OF THE MANOR

The factors which made for manorial uniformity seem dominant until about the thirteenth century. The manor became more and more identified with the general economic development of northern Europe, and hence gradually lost its own identity. The central economic fact in this decay of the manor was the introduction of specialization, which was closely linked with all the other changes. Its coming in was a corollary of the development of markets and of trade, which will be surveyed in the next chapter.

Commutation of personal services to money payments began in earnest in northern Europe about 1200. Already, many of the better tenants had begun hiring cotters to perform their boon-day or harvest obligations. The lords themselves had hired extra men at such times. Even at the height of the middle ages some of the smaller manors had hired itinerant craftsmen rather than maintain them the year round. With the increase in population, lords had succumbed to the temptation to clip off outlying parts of woodland or waste, for enclosure in the domain or renting to freemen. The use of oriental or South European goods had become a mark of high social standing by the thirteenth century, and such goods had to be purchased with money. There were three obvious ways of getting money: raising products for sale, renting for cash to tenants who had to produce for market to get the money, or accepting money payments in lieu of personal services.

The increase of population unsettled other economic questions. Among these was that of the commons or public pasture. Some of this land was actually needed for the plow and relatively unproductive as it was. In many cases the rights of the villagers in it were obscure and hard to defend, especially according to the Roman legal theories which had

experienced a great revival in the twelfth century. Many Englishmen became familiar with the enclosed fields of southern Europe through the occupation of Aquitaine in southwestern France after 1154, and the accompanying relations with Spanish princes. A much nearer lesson in the advantages of enclosure was provided by the Low Countries. By trading and consolidation the lords succeeded in withdrawing most of their isolated open-field strips. As their enclosures increased, they needed more hired labor, which again meant more payments in money.

Once commutation got well started, the mediæval tendency toward fixity got hold of it, and it became itself customary. At first, the lord often reserved the right of demanding labor in place of money. Some of the earlier commutation contracts were for fixed periods — a year, a term of years, one or two lifetimes. Such reservations were found to be generally useless in practice, the trend of the times being in the opposite direction, so they were gradually dropped. Up to the Black Death (1348) the North French or English peasant became more and more free in practice, though his legal disabilities were theoretically as great as ever. Legally, his tenure was “at the will of the lord,” to which phrase was eventually added “according to the custom of the manor.” These “manorial customs,” as shown by the court records, later got recognition from the royal courts. By about the end of the fifteenth century, the English “copyholder” (whose title consisted of a copy of the entry in the manorial court record showing customary tenancy in his family) was given equal protection with the freeholder.

The decline of serfdom and the growth of contractual tenancy was temporarily checked by the Black Death, the Hundred Years' War, and accompanying conditions. These factors did not, however, check the growth of markets or the general swing toward agriculture for profit. At first, both lord and peasant had been benefited by commutation, the former because hired labor was more efficient on the domain, the latter because he did not have to leave his own farming at

the most critical times to work out labor dues. Gradually, however, money had become more plentiful, with the results that the peasant could pay his fixed dues more easily, but that the lord could not replace the labor he had surrendered for the same money. This condition was aggravated by the Black Death. Cotters and laborers immediately demanded higher wages. They got the increase, in spite of royal proclamations, statutes of laborers, and resistance on the part of the lords. Due to the death of many laborers, virgaters, and tenants, and to the flight of a large fraction of the remainder, there was not more than half enough labor.

Both farm and craft work were partially suspended during the worst of the panic, causing a scarcity of goods, which raised prices. In this situation, the laborer could not exist on his old wages or the proprietor pay more, and each still maintain his accustomed standard of living until production had been restored. This vicious circle is familiar enough in modern periods of inflation.

Besides attempting to hold wages down by law, the lords turned again to the labor dues to which many of them still had legal rights. Often these rights had lapsed so long before in practice that any attempt to resurrect them was certain to bring about class hatred if not actual insurrection. There were probably few cases in which lords succeeded in evading or cancelling commutation contracts; but commutation was certainly checked. The more rigid enforcement of services not commuted kept both France and England in a social ferment for years. The French peasants' rebellion or *Jacquerie* of 1358 was suppressed, after much bloodshed and destruction on both sides. In England, peasants often simply "withdrew" their services, as null and void through lapse of time, and also as opposed to the dignity and rights of common men. Riots were common. The plague had removed a large fraction of the clergy, and wandering friars or popular priests like John Ball stepped into their places. Of necessity, their training in theology and their immersion in tradition had been short. They did not stop with assailing particular

abuses, but encouraged the masses to question the whole basis of the social order. In such popular doggerel as

When Adam delved and Eve span,
Who was then the gentleman?

they demanded to know why those who labored to make goods should be stinted, while others who created nothing at all had goods in abundance. No modern radical has put the query, of why society should pay people merely for owning, more pungently than did John Ball. The radicalism of the times riots through the earlier versions of the *Vision of Piers Plowman*, and John Wyclif's denunciations of the higher clergy and their taxes were freely applied by the populace to the upper-class laymen as well. In 1381 the disturbances came to a head over an ill-advised poll-tax; but the Peasants' Revolt was soon broken up by a mixture of chicanery and frightfulness.

Farming for profit, long established in the Netherlands, became a serious factor in the English situation during this fourteenth century. Wool was the great market crop. Not only was it exported to Flanders in large quantities, but with Edward III began an insistent attempt to settle the Flemish weavers with their looms upon English soil. The shortage and expense of peasant labor created a special incentive for proprietors to turn their arable fields into grazing lands for sheep, which change cut down the required number of hands. The chaotic state of titles following the plague also made it possible to convert much old peasant land into pastures. This added to the class conflict by diminishing the farmed area, so that the cost of living remained high, while the demand for rural labor was depressed. An exodus of dispossessed virgaters and cotters to the growing towns set in. Production for the market, coupled with the use of money, came in rapidly, especially after the discovery of America and the expansion of foreign trade.

Traditional claims to personal services could not be generally revived, especially in the presence of so much money and

trade. Where the services were not repudiated entirely by peasants, or dropped by lords as unprofitable, they were converted into money payments. The flow of country population to the towns, and the accompanying growth of industry, created a new need for surplus grain which checked the shift to sheep-raising. Probably this early phase of the enclosure movement, up to about 1600, directly affected somewhat less than half the soil of England. The indirect effects were equally important. The great domain farms proved unprofitable under the rising wage system, and were broken up for lease to ex-bailiffs or prosperous peasants, who exploited them with hired labor. At first, the stock was generally furnished by the proprietor, but later the tenants accumulated stock of their own.

In northern Europe generally, the strictly mediæval type of manor broke up into four distinctive agrarian systems. The first was peasant proprietorship, under which the villein classes got rid of the lords and became the owners of the lands held by their ancestors as customary tenants. This was common in central and parts of northern France — less so in western Germany. Second, there was the metayer system, in which the tenant paid a share of the crop — half, according to the name (*métayer* = to divide in half) — though the practice varied. There were scattered instances of this in northern Europe, but it was more characteristic of the south. Third, great farms covered much of northern Germany, notably Mecklenburg and Pomerania. From about seven hundred to fifteen hundred acres was the normal size. Finally we have noted the English system of tenant farmers which was in formation at the opening of modern times. Two hundred acres was about an average size for these — some six times the area of the older virgates.

Under peasant proprietorship there was only one class on the land, the owner, cultivator, and laborer being identical. On the Continent generally, conditions seem to have favored this system at the expense of the other three. The history of land tenure in Europe since the fifteenth century has been

extremely complicated, but whenever arbitrary checks from outside — that is, factors not directly derived from agricultural economics — have been removed, the system of small peasant farms has forged to the front. Both tenant and laborer were new classes. The descendants of the older peasant class — aside from the occasional ones who had risen to tenancy — had been driven out or reduced to the status of laborers.

No arbitrary date like 1492 or 1500 can mean much in a complex and variegated history like that of North European agriculture. The feudal land system spread, now slowly, now more rapidly, from a comparatively restricted nucleus in the northwestern part of the Continent. It continued its march eastward for more than five centuries after the date, about 1200, when the introduction of money and trade was obviously undermining it in its land of origin. Thus, in the seventeenth century we see it getting a powerful grip upon eastern Germany for the first time. Throughout the same century, under the early Romanoff Tsars, the peasants of Russia were gradually bound to the soil by a series of decrees which came to a culmination in the reign of Peter the Great (1689–1725). The full effects of this policy in producing institutions roughly similar to the western European manor, with villeinage, were not felt until after 1762. By an unwise decree of Peter III in that year, the strict accountability of the landed nobility to the central Government, which had been an important feature of Peter the Great's plan, was relaxed. The serfs were left more and more to the arbitrary control of their local lords. Peasant uprisings, like that of Pugachev in 1773, were drowned in blood, and could not stay the rising tide of serfdom. In the thirty-four years of Catherine's reign (1762–96), 800,000 free peasants were reduced to serfdom, and in five years (1796–1801) her son Paul handed over an additional population of 530,000 to private persons with his gifts of state lands.

Places are as important as dates, therefore, in tracing the decline of manorial agriculture, as well as its rise. The dis-

integrating effects of money, trade, and the rise of national governments, which were plainly visible in the history of the Low Countries, northern France, and England as early as 1200, must be traced in two different ways at once: first, their widening effects upon western European rural life; second, their eastward expansion. The effects of the crusades in the widening and integration of European economic life blended gradually and insensibly into those of the overseas expansion which gathered headway during the sixteenth century. Economically, they are successive phases of the same movement. The first phase, the expansion of Mediterranean commerce, affected central Europe almost as much as it did the western fringe. The second phase, the reduction of the open ocean to a highway of trade and colonization, gave an enormous economic stimulus to the Atlantic seaboard states, partially eclipsing both southern and central Europe. But the effects of this whole commercial expansion, in both of its overlapping phases, were gradual and cumulative rather than revolutionary. We need only consider the slow and measured increase of population to convince ourselves of this. From the thirteenth century to the eighteenth (which inaugurated revolutionary changes in technique and organization), we are tracing the same general historic tendencies; and the effects of the so-called Industrial Revolution did not gather much force in central and eastern Europe until even later.

In England, the manorial organization had practically disappeared by 1600. Important vestiges of mediæval technique remained behind, however. Their disappearance was a corollary to the vast changes in industrial technique and business methods after about 1750. The commutation movement was accelerated by the new supplies of money metal from American sources and by the fresh impetus to commerce and industry which accompanied the expansion of European civilization; but the capitalistic tendency in agriculture had a checkered history during the sixteenth century. It was fiercely opposed in England by such men as Sir Thomas More and John Hales. A long series of acts against

enclosure covers the period from 1488 to 1607. For more than a century beyond this latter date the slowness of the agricultural transformation is striking. The suggestion is almost irresistible that the real check was economic, the acts of government merely incidental. Mere changes in organization did not make possible the maintenance of a much larger population. For that, a revolution in technique was necessary.

This point becomes more obvious when we turn to French agrarian history. By the fourteenth century the population of France had reached the approximate maximum supportable by the then-known agricultural technique. This technique improved very slowly down to the eighteenth century, and the population increased only slightly. The long numerical stability was accompanied by a conservative growth of prosperity among the peasantry, and the rural population of France was well off in the eighteenth century as compared with that of other European countries. Vestiges of serfdom disappeared gradually, until little remained for the final house-cleaning of 1789.

The unfortunate corollary of this long numerical stability was an intricately traditional social order which could respond only sluggishly, in either the vital or the technical sense, to the new opportunities created by the eighteenth-century Industrial Revolution. It was three centuries from the time when the mean density of the French population reached a hundred to the square mile until the period when overseas colonization on a large scale became practicable. By the seventeenth century France had developed and settled down to a social and economic order based on relatively stationary numbers. The largely unconscious mechanism whereby this was accomplished is familiar to all students of population problems, and is roughly similar in most societies which dwell for a long time on the same territory. Age of marriage, size of dowry, division by bequest, and a thousand more intricate matters which regulate population become embedded in custom, and well-being is thus insured against an

increase in numbers which might overwhelm it. Such a traditionalized social order lessens the friction of group life, attaches the individual to his community by bonds of habit and sentiment, and makes him reluctant to move. The French peasantry generally remained lukewarm to the idea of colonization. Some Huguenots (Protestant townsmen, mostly of the middle class) would have been willing to go out as pioneers, but the Government discouraged these. So the French population and social order was comparatively little shaken up by overseas expansion.

England, on the contrary, did not achieve the population density of fourteenth-century France until nearly the end of the seventeenth. By that time colonization and foreign commercial enterprise had become so important that the tendencies toward stagnation of population and stereotyping of the social order were headed off. The English Government did not prevent its religious schismatics and social malcontents from emigrating. Both technically and vitally, England remained unstable enough to respond vigorously to the eighteenth-century industrial changes. The portion of the Netherlands which was later to become Belgium was saved from stagnation by its favored commercial position and early industrial development. The Free Netherlands shared with England the advantage of great colonial ventures.

Germany was one of the most prosperous regions in Europe at the close of the middle ages. Some of the misfortunes which her trade suffered at the opening of modern times will be dealt with in another volume. A series of peasant uprisings, civil wars which were partially religious in origin, and imperial invasions by Spanish, Swedish, French, and Hapsburg armies profoundly affected the course of German agrarian history.

Coming later to Germany as it did, the manorial order was less decayed at the end of the fifteenth century than in the Low Countries, France, or England. Its impending disintegration at the opening of the sixteenth century coincided, unfortunately for the peasantry, with a far-reaching intro-

duction of the Roman law, as well as with the disorders and wars which followed on the heels of the Protestant revolt. The new jurists derided the old German law, which had protected the lower classes and taken into consideration their customary rights as well as their disabilities. To the Roman jurist, law must be written and based upon the will of a prince. Soon the nobility got the necessary courts into their own hands. The tendency was for the lord to invest himself legally with the arbitrary powers of the Roman *dominus*, and for the partially free peasantry of various grades to be classified and treated as *coloni* or *servi* — serfs or slaves. Excepting the small group which controlled the new legal system in its own interest, Germans united in denouncing the Roman lawyers as thieves and shysters.

Especially did the introduction of Roman law cloak with legality the lord's encroachments upon the village commons, since the Roman codes recognized only individual private property. The *Todfall* or heriot, no longer protected by the German customs, was increased. Sometimes half the deceased peasant's goods were seized — or even all, if he had no wife. Where it had been converted into a money payment, the amount was arbitrarily increased, like the other money dues. The situation was peculiarly galling in that the feudal protection, which had been the chief excuse for such exactions, had become unnecessary with the growth of stronger governments which could collect taxes and preserve order.

The German peasant revolts of 1476–1525 were only incidentally connected with Luther's revolt against the Church. The whole movement was called the *Bundschuh*, after the laced peasant shoe emblazoned on its banners after 1493. The last of the great revolts (1524–25) was the most serious. For a time it threatened to overthrow the whole social order. This rebellion began at Stühlingen, in the Black Forest, and quickly spread over all southern Germany. At first, some of Luther's phrases were borrowed, but he soon repudiated the movement, and after that the South German peasants had nothing but scorn for "Dr. Lügner" (Dr. Liar), as they called him.

Both nobles and peasants committed the usual massacres and nameless atrocities, as in the earlier French *Jacquerie*. The peasants were utterly crushed, thanks to inability to organize against the professional soldiery. The same ill success followed the *Bundschuh* movement everywhere. Scattered risings took place in Austria. A great rebellion broke out in Hungary in 1514, led by George Doza. Great numbers of peasants had collected for a crusade against the Turks which turned into a social war when their lords tried to break it up. In the terrific war and the ghastly reprisals which followed, some sixty thousand peasants lost their lives. Throughout the Hapsburg Empire, the dues became heavier than ever, the lords more arbitrary. The vast majority of the German peasants had been *Hörige*, similar to the free villeins of France mentioned earlier — personally free, but occupying land subject to dues. They had owed both money and produce dues and personal services (*Frönen*), but in amounts fixed by custom. There had been comparatively few out-and-out serfs (*Leibeigene*), whose dues might be changed by the lords at will. After the triumph of the Roman law and the crushing of the *Bundschuh* movement, the status of the *Hörige* had become practically that of *Leibeigene* or serfs.

Germany was devastated and the imperial authority reduced to a shadow by the Thirty Years' War (1618–48), the last of a long series of religious, civil, and imperial struggles. Manorial serfdom in its worst form was generally introduced into eastern Germany for the first time. Household services without payment were exacted of the village families, and stringent laws enacted to prevent the movement of peasants to towns. Emancipation in Germany was not completed until early in the nineteenth century. The Hapsburg homeland, finally consolidated into Austria-Hungary, was still more backward. Russia did not emancipate her serfs until the second half of the nineteenth century, and vestiges of manorial economy lingered on into the twentieth. The same statement holds true for Rumania.

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Note: The literature of this subject is enormous. For more extended lists consult Usher, Sée, and Ogg (above); Paetow, *Guide to the Study of Medieval History*, pp. 250 f. (note list of bibliographies on p. 259). Advanced students will do well to acquaint themselves with the works of Kovalevsky, d'Avenel, Lamprecht, the Maurers, von Inama-Sternegg, Kaufmann, Babeau, and Levasseur. Abridgments or summaries of d'Avenel's and Levasseur's longer works are listed in Paetow's *Guide*, and of Kovalevsky's *Oekonomische Entwicklung Europas* in the footnotes of ch. III of Miss Irvine's book (above). Gray, Ashley, Lipson, and Prothero (Lord Ernle), listed above, are perhaps as good as anything in English.

CHAPTER VI

COMMERCE AND INDUSTRY IN NORTHERN EUROPE DURING THE MIDDLE AGES

THE FAIRS

WHEN the crusades stimulated the European demand for oriental goods, the first large profits went to Italian importers and distributors, industry coming along later to imitate those goods or provide others to exchange for them. The craftsmen made what was locally demanded, but it was the merchants alone who knew the foreign markets. Craft-made products for local consumption were generally marketed by the craftsmen who made them, both manufacture and sale being controlled by local laws and customs.

Foreign commerce was on a very different basis. Imports from Southern Europe and the East were largely brought in by foreigners, who were charged for trading privileges in fairs and markets, but allowed much latitude as to methods. In the case of great international fairs, such as those of the county of Champagne, practically all the trading groups were foreign to each other, and transactions were ruled by the liberal "international" commercial code, the law merchant. Mediæval Europe was not consolidated into great national states as at present, and a Provençal or Burgundian was a "foreigner" to a Fleming, Norman, Breton, or "Frenchman" (native of the Île de France, about Paris). Even the visiting Italians or Germans from various localities wore distinctive clothes, spoke different dialects, and did not consider themselves fellow countrymen.

The great fair was held primarily for foreign commerce. Merchants gathered at the "international" fairs to purchase the articles not produced in their own respective regions. Lesser regional fairs were used further to distribute these goods, and most towns had their own local fairs for the same

purpose. At the smaller fairs there was more trade in products which did not come from such great distances. Those who came to any fair had to be housed, fed, and entertained, which called for a type of local trade wholly secondary to the main object of the gathering. Fairs had their religious ceremonies as well — many of them had originated in pilgrimages to shrines.

At the outset the overwhelmingly agricultural character of North European life, and the aloofness of the aristocracy from the towns, put these latter in a relatively weak position, so that foreigners were able to dominate the export and import business under protection of the feudal nobles. This tendency was checked by the gradual rise of the gild merchant or local association of traders. The position of these merchants' associations of northern Europe was enormously strengthened when the towns from which they came obtained charters.

The prosperous period of the Champagne fairs lay between 1152 and about 1300, during which time the county was practically a distinct little state. Its organization was loose and typically feudal. At the end of the twelfth century, the count had two thousand and seventeen vassals, of whom one hundred and fifty-eight also held lands from some eighty-five other lords. The count himself held the twenty-six different parts of his domain from ten separate overlords, among them the Emperor and the King of France. The most important of the fair towns, Troyes, he appears to have held under the Duke of Burgundy.

So small a region as Champagne was inevitably greatly enriched by the international fairs, which drew trade and fees from all over Europe. As the Italian Menozzi put it: "If the barons of France agreed to let the companies of Italian merchants impoverish their subjects with commercial bargains and even more with money-lending, it was certainly not for nothing; for they did not fail to draw profit from the situation in their turn." The truth of the matter is that the rich harvest in fees which fell into the coffers of the Counts of

Champagne came not so much from their own subjects as from those of remoter regions. The merchants paid the count for the privilege of trading with each other, shifting the charge to the people back home when they resold the goods. All the surrounding counts, dukes, and monarchs were naturally jealous of the fees which little Champagne collected indirectly from their people. They consoled themselves with the money which the lord of the fairs paid them for keeping the converging roads free from tolls, bandits, and feudal depredations.

By about 1300, Philip the Fair of France had so increased his hold upon the counts that the territory was practically under his control; whereupon — due in part to stiffened taxes, fees, and regulations — most of the trade disappeared over the border into the Flemish, German, and Burgundian towns. One other reason for the shift has already been pointed out in Chapter III. Flemish, German, and English towns had grown to such an extent, and deep-sea navigation had been so improved, that the Italian city-states found it more profitable to sail a "Flanders Fleet" around to Bruges and London, meeting the German traders at the former place.

There were six of the Champagne fairs per year, succeeding each other in such a way as to be practically continuous. Each lasted from six to ten weeks. With the opening of the year, the booths were set up at Lagny. Bar-sur-Aube came next. Provins and Troyes had two fairs each to round out the yearly cycle.

Here came together on the greatest possible scale all the exports, both raw materials and finished goods, of the western European lowland and also of the Mediterranean region. The peoples who hawked them were no less heterogeneous. French, Flemish, and Italian merchants predominated, but there were also Germans, English, Spanish, Dutch, and Swiss, not to mention Jews from every land. Eastern Mediterranean, Scandinavian, and Russian goods generally changed hands on the way, being brought chiefly by Italians and Germans. In one of these fairs might be found all sorts of tex-

tiles, drugs, spices, and jewels; metals, salt, leather, and furs; live stock and slaves; besides food and drink, and the odds and ends of manufactured goods which found their way to the eventual consumer in the peddler's pack or the chapman's box. A fourteenth-century illuminated manuscript pictures monkeys scattering the contents of such a pack while its owner sleeps under a tree. Included are vests, caps, gloves, musical instruments, purses, girdles, hats, cutlasses, pewter pots, etc.

To effect the sales and purchases in such an international group practically everything had to be evaluated in terms of money, even in cases where little or no actual coinage changed hands. When it came to dealing with the bewilderingly variegated feudal, town, and national moneys, the Lombard, Caursine, and Jewish bankers and money-changers came to the fore. They brought traders together by exchanging the different coinages or estimating them in terms of each other. Loans were extended at usurious rates, anywhere from twenty to sixty per cent or more, and well secured in the bargain. The standard coin was the local silver *provisino* or penny of the Count of Champagne. Twelve of these made a shilling or *solidus*, and twenty shillings a pound (*libra*).

The shrewd Italian money-changers understood all too well what was to be called Gresham's Law centuries later — that a debased or underweight currency of the same nominal value tends to drive the full-value coins out of circulation. The Lombards began coining a penny of their own, of which the silver was alloyed with copper. With this they captured the Champagne silver money, which they sent home for recoinage. This led to the debasement of the other silver pennies, including the royal *denier* of France, until the situation became so confused that the Florentines went over to the gold standard and began coining the full-value *florin*.

To appreciate fully the difficulties and dangers encountered by these thirteenth-century merchants as they traveled over road or river on their way to and from fairs would involve the perusal of an enormous literature on social condi-

tions at the time. Roads were often bottomless and bridges wanting. Rivers were unimproved and dangerous. Wars closed the trade routes or rendered them insecure for long periods. Bands of outlaws wandered about, especially watching the mountain passes for insufficiently protected merchant caravans or solitary travelers. The petty feudal nobility were often in league with robbers, or little if any better than bandits themselves. Not only did every bridge, ferry, and town gate take its toll, but a swarm of feudal lords and monasteries dotted the roadsides and river-banks, stopping caravans or boats every few miles. The fees thus exacted were nominally for protection, but they look to us more like bribes. There were seventy-four tolls on the Loire River between Roanne and Nantes, or one about every six miles. On the Rhone and Saone there were sixty. The sea route adopted by the Italians to reach Flanders had its own dangers, incident to the small ships, crude instruments, few lighthouses, and the nests of pirates; but these were chosen in preference to the horrors and exactions of the land journey.

Flanders had its cycle of six annual fairs, very much like those of the Champagne. The decline of the Champagne fairs did not strengthen those of the Low Countries so much as it inaugurated a new era in North European town life. Fairs had been largely separated from the towns in or near which they had been held. By 1300, the volume of trade warranted the establishment of permanent markets for the goods internationally exchanged. The Italians began founding houses and branch houses, or leaving permanent representatives, in the northern towns. There were sixteen Italian firms in Paris by 1292, and they were found also in the Flemish cities and at London.

A situation roughly analogous to that which had occurred earlier in the Italian towns was now taking shape in those of northern Europe. Much as the settling-down of Syrian and other Levantine merchants in Italy had led to the organization of rival Italian firms, groups of North European traders were now, in their turn, competing more and more success-

fully with the Italians for a share of the import business. Northern Europe was rapidly developing from an exploited frontier region into a land of trade centers — towns with permanent markets. As orderly governments became consolidated, localities gave up their primitive self-sufficiency and began to specialize more in the products for which they were best suited. The rise of guilds and hanses was notable as early as the eleventh century, and was thus contemporaneous with the great fairs for over two hundred years before the new organizations finally overshadowed the old.

While the great fairs played a decreasingly important rôle in international commerce after about 1300, they did not disappear. Lesser ones continued to be held at Cologne, Frankfort-on-the-Main, Geneva, Lyons, and in more outlying regions like England, eastern Germany, and Russia. England's commercial development lagged behind that of the Continent, and the yearly cycle of English great fairs was less important; but the organization was much the same. The four greatest were at Saint Ives, Boston, Winchester, and Northampton; and the same traveling merchants often visited lesser ones in the intervals.

Every town, and even many villages, had their weekly, semi-weekly, or daily markets, where necessities like local craft products and foodstuffs were exchanged. In the more strictly rural regions, this was the opportunity for villagers to deal with each other. It linked towns or considerably urbanized villages with the surrounding country. Imports figured very little in such markets. The system of local production and exchange was remarkably distinct from that of inter-regional or international economic activity. This latter type of commerce was the primary concern of the guild merchant, which also controlled the export industries as they appeared.

RISE OF GILD MERCHANT AND HANSE

"Gild" seems originally to have meant a payment, especially one for religious purposes; but the word was later ap-

plied also to a place or association for sacrifice. "Hanse" at first signified a heap or collection. It came to mean a number of men, an association, and then specifically an association of merchants. Sometimes it was used interchangeably with "gild." The two gradually came to be distinguished through the application of "hanse" to an association of merchants away from home, and from this to a league of the towns they represented.

In the Frankish laws of Charlemagne's time, associations of merchants for mutual protection were sometimes called *gildonia* or *geldonia*, synonymously with *confratria*. At Cambrai in the eleventh century, such an association was called the gild, though in other places similar ones were called *charitas* or *amicitia*. The *gildæ mercatoriæ* or merchant gilds, which multiplied in northern Europe from the eleventh century, were associations of merchants, mainly in one town. They were primarily for trading purposes, though they had some social and religious functions as well. One of their early sources of revenue was the fees imposed upon outsiders for trading privileges, and this may have had a good deal to do with their organization by towns in the first place.

There is no more hotly controverted subject in all history than the exact antecedents and earliest activities of the gild merchant. Fortunately, it is sufficient for our purpose to recall the outstanding facts about the environment in which such associations appeared. Pirenne argues convincingly that the earliest nucleus of the characteristic trading town of the Low Countries was the *portus* or *emporium* of the tenth century or earlier — the market, as distinguished from the military post or episcopal city which stood by its side. This *portus*, *poort*, or port lived chiefly by commerce. Its settlers were adventurers, fugitives, and other men without the hereditary and customary ties which were so all-pervasive in the surrounding social units. These groups were largely let alone by neighboring lords and abbots because the trade which they kept alive was so indispensable. The fairs came to

them because they occupied the best commercial sites. They traded at the fairs, but remained independent of them.

These early burghers or *poorters* were freemen. Many of them had escaped from serfdom, but who was to reclaim them, as long as they kept still about their origin and remained away from the scenes of their earlier bondage? Moreover, many had come from overcrowded communities where they were actually not wanted, or had been ejected from manors for persistent breaches of custom. Besides the more enterprising itinerant merchants who adventured for themselves, there were boatmen, dockers, laborers, craftsmen, and others who worked for the traders of their own and other ports. This port or permanent market had its own rough-and-ready government, suited to its peculiar needs and turbulent population. Its code was one of the sources of the law merchant or commercial law noted in connection with the fairs. As in every other community, there were leaders, in this case the adventuring merchants who brought in the business and had the bulk of the wealth.

At first, these embryonic towns had no legal status. Princely or ecclesiastical governments within whose territories they lay ignored their peculiarities, taxed them when possible, and made sporadic attempts to enforce current practices about serfdom and the like. For example, there were naturally more men than women in such a settlement; but if a free man from the *portus* married a woman of serf status from some manor, his children were serfs according to manorial custom — or half of them serfs, as it was sometimes interpreted. This was disputed by the trading communities, and by the time they had obtained a recognized status — that is, secured charters and become towns — their free traditions were pretty well established. As a usual thing, if a man dwelt in a town for a year and a day *without any one contesting his right to personal freedom*, he was considered a freeman. Many peasants continued to live in the towns of the Low Countries, and to work for their lords, without change in their social standing as villeins.

As in Italy earlier, the communal revolt in the Low Countries was chiefly against the bishops, though there were clashes with knights and counts also. Back of it lay the fact that the *portus*, *faubourg*, or commercial suburb had outgrown the castle of refuge and the monastery, and by the end of the eleventh century was ready to absorb them, consolidating the whole into a real town. Some merchants had grown wealthy. As early as 1043, one of them built a church at Saint Omer. By force and purchase the towns acquired legal status through charters from overlords. The outstanding features of these charters were the rights of justice and taxation: that is, the towns made and enforced their own laws, and paid their taxes in a lump sum, raising this sum to suit themselves. The town was still in the feudal hierarchy, but as a sort of corporate person. Funds, and not infrequently soldiers, were still furnished to carry on wars, but the counts had lost the right to designate which individuals should fight and pay. In France and England, towns showed a strong preference for royal charters, rather than those issued by lesser feudal lords. The full citizen of a town, dwelling within the walls (that is, in the *bourg* or *burg*), and protected by the corporate charter from direct, personal subjection to feudal law, was called a "burgess."

The gild merchant was usually more ancient than the chartered town. It was often this group of commercial leaders which furnished the funds (*firma burgi*) for buying up rights of taxation and justice. Gildsmen and burgesses or citizens were not identical groups. Some resident lords of near-by manors, though citizens, had little interest in export and import trade, and hence did not belong to the gild of merchants. On the other hand, resident ecclesiastics, who were under the canon law and could not become citizens, often belonged to the gild merchant. Some of the important craftsmen were at first admitted also, and foreign merchants, citizens of other towns, were sometimes taken into the gild. Nevertheless, most of the burgesses were gildsmen, and most of the gildsmen burgesses. Especially where the personnel

was nearly identical, such overlapping must often have confused the action of the two bodies in practice, and the distinction between gild merchant and town government is sometimes obscure in the records.

Closely associated with the development of both fairs and merchant guilds was that of hanses. The two most important were the Flemish Hanse of London and the Teutonic Hanse or Hanseatic League — also known as “The East-erlings.”

The Flemish or London Hanse was the first of these to achieve a definite organization. It appears likely that at the outset this hanse was simply the gild merchant at Bruges, the most important city of Flanders. In some respects it was a league of cities, in others more like an association of the merchants of the cities — or even of the merchant guilds, since every member of the Hanse had first to become a member of the gild merchant of his town. Moreover, all the higher municipal officers of the towns had to be members of the Hanse. The Flemish Hanse was gradually consolidated during the second half of the twelfth century to control the profitable trade with England. It was later expanded from seventeen to fifty-six towns, many of them beyond the boundaries of Flanders. Ypres, Lille, Ghent, Douai, Arras, Cambrai, Abbéville, Saint Omer, Beauvais, Caën, Troyes, Amiens, and Rheims were among the most important. Fine manufactured goods, such as cloths, armor, and glass, were exported to England, and wool was the most important single item brought back.

This group traded extensively at the Champagne fairs, and attained so complete a monopoly over the commerce with England that the officers were empowered to seize the property of any non-member who infringed. Monopoly was not, however, the sole aim. Standardization of goods and protection against fraud were also provided for.

The Count of Flanders had no direct authority over the Hanse. Its chief officer was called the “Count of the Hanse,” and was elected by the merchants of Bruges. Ypres

usually furnished a sort of second-officer, called the "Standard Bearer." The court which tried cases within the Hanse's jurisdiction was composed of eight judges from Bruges, four from Ypres, and either one or two from each of the other towns.

As England developed economically, a group of English "Merchants of the Staple" or "Merchants Staplers" began a partially independent export business. The Staplers, who first appear as a company in 1267, got their name from the four "staples" (French *Étapes*) or distributing stations which they set up on the Continent at Calais, Bruges, Antwerp, and Dordrecht. By the fourteenth century, the English were exporting considerable quantities of salt meats, dairy products, leather, tin, and lead, in addition to wool. For a time the Staplers and the Flemish Hanse worked together, the English company controlling staple exports, the Flemings looking after imports into England. The member cities of the Flemish Hanse got into serious social and political difficulties at home. The organization disappeared from view after a long decline, being overshadowed by the Staplers. In 1354, the latter definitely organized to take care of the functions of both. Each of the ten or twelve staple towns on both sides of the Channel was to have a "Mayor of the Staple," elected by the native and foreign merchants. In addition to keeping order and enforcing justice, this mayor served as a go-between, looking after the interests of the English King and treasury on the one hand, and those of the foreign merchants on the other.

With changing times the Staplers were finally eliminated in their turn. English woolen manufacturing increased, changing the character of the export trade. Calais, the continental staple town after 1363, was captured by the French in 1558. The staple was then moved about from one town to another until it finally sank to insignificance in the seventeenth century, the Staplers having been gradually replaced by the Merchants Adventurers. These were all Englishmen, dealing in finished goods, especially cloth, rather than in raw

materials, and not bound to any one staple or distributing center.

Cologne merchants had traded in England since early times — even before the days of the Flemish Hanse. They had a flourishing trading post or factory at London before the organization of the Merchants Staplers. It was later known as the Steelyard. Hamburg, founded by Charlemagne at the beginning of the ninth century, was also trading extensively with England by the thirteenth. Lübeck, founded in the middle of the twelfth century, soon developed an important commerce in the Baltic. Wisby, on the island of Gothland, had long been the center of the Russian trade with Germany, and had a branch or factory at Novgorod. The merchants of a number of German cities settled in the old Norse town of Wisby and their coöperation in a foreign land gradually drew together the towns they represented. Hamburg and Lübeck formed an alliance which cannot be definitely dated, but seems to have existed in the twelfth century. Bremen joined later. The Hanseatic League was at first a union between this group of coast towns, the Rhineland group led by Cologne, and Wisby, with its Novgorod factory. Inland towns were gradually drawn into the League, as the most promising opportunity for securing law and order, the Empire being excessively weak at the time. Brunswick exercised a sort of leadership among these. Dantzic in the east became the center of a final group which, together with Lübeck, overshadowed Wisby.¹ The four divisions of the League at its height were thus led by Lübeck, Cologne, Dantzic, and Brunswick.

Contacts were established with Italy over the Alpine passes, and especially through the great counter at Bruges. Besides this counter in the commercially organized West, there were three great factories or trading posts in backward lands, at London, Bergen, and Novgorod, respectively, and

¹ The German townsmen thus gradually encroached upon the ancient Norse monopoly of trade between the Baltic and Black Seas, finally superseding the Scandinavians entirely.

some twenty-eight minor stations. Pirates and robbers were sternly repressed, and the strictest discipline imposed upon members. The Hansards were nothing if not pious — perhaps because it was good business, in part at least, and simplified discipline in settlements abroad. They built magnificent churches, enforced celibacy among their agents, and suppressed profanity on ship and on shore under the severest penalties.

Great secrecy surrounded the organization and operations of the League. No list of member cities was ever published, but we know now that some one hundred and fifteen places were connected with the Hanse at one time or another. There was no visible executive, yet great armies marched and swift vengeance fell upon recalcitrant members. Kings of Denmark were twice defeated, and the Hanseatic power over southern Scandinavia, northern Germany, and the Baltic was made practically supreme. Four burgomasters of Halberstadt were executed for disobeying regulations. One force of twelve thousand men is mentioned. Lübeck was a sort of chief city, and it was here that the triennial diet after 1260 was usually held.

The three great sources of Hanseatic wealth and power were the English trade and the two monopolies over Russian trade and the fisheries of The Sound (between Sweden and Denmark). From the twelfth century to about the middle of the sixteenth, shoals of herring moved through this narrow neck of water southeastward to spawn in the Baltic. The projecting hook of Scania, in southern Sweden, was an ideal place to catch them. Repeated wars with Sweden and Denmark were waged to retain unhampered control over this key position. The Sound being difficult to navigate, goods for the Baltic went to Hamburg and through the ship canal which connected that city with Lübeck.

The Protestant Revolt at the opening of the sixteenth century hurt the market for fish, amber, and wax for candles. About the middle of that century, the herring suddenly began spawning in the North Sea instead of moving to the Baltic, so

that the long feud between Germans and Scandinavians was transferred westward to the Dutch and English. Russian consolidation had already begun under Ivan the Great (1462–1505). The German commercial monopoly was soon undermined by English and Dutch traders, as well as by direct aggressions on the part of the Russian Emperors. Ivan the Great captured Novgorod in 1471. It was finally reduced to a village by Ivan the Terrible in 1570, who had thousands of the inhabitants massacred and banished because of secret negotiations with his Polish enemies. Wisby was practically abandoned, and is now a mass of ruins.

Some three thousand German traders were settled at Bergen, where they enjoyed a practical monopoly of the Norwegian export trade in timber, hides, and fish. It was also a stronghold from which to attack North Sea pirates and commercial rivals. Ships sailed from this port to Iceland, Greenland, and the Arctic regions generally. Bergen asserted its independence when the Hanseatic League had become weakened by the rise of modern states, overseas trade, and new business methods. Of the four great counters or trading stations abroad, it alone preserves anything like its mediæval appearance.

The Steelyard was a fortified enclosure just west of London Bridge, with a frontage of about two hundred feet on the Thames and extending back to a depth of some four hundred feet. There were similar but smaller stations in Boston, Lynn, and other English towns. Edward III (1327–77) was deeply indebted to the Hansards for loans and assistance in his wars against the French. This situation was used by the League to gain further concessions and exemptions, which brought the Germans into sharp conflict with the rising class of English merchants. In the fifteenth century, the League was exporting some forty times as much English cloth as was sent out in English ships. Its capital was invested in a variety of commercial and industrial enterprises, such as the tin mines. German factors had a jurisdiction over their own people thus planted in a foreign land, very much like that

enjoyed by Europeans in recent times in backward countries such as Turkey and China. English merchants complained of this, of their exclusion from the Baltic trade, of the force sometimes resorted to by the Hansards to prevent the extension of English commerce, and of the special League privileges in general. The Treaty of Utrecht in 1475 between the League and the English King compromised on the question of extra-territorial justice, but transmitted the sites of the factories in England to the Hansards in absolute property and fixed the figure of the debt to the League at fifty thousand dollars to be collected by remissions of duties.

The charter of the League was withdrawn by Edward VI in 1552, but restored by Mary two years later. Finally, the Emperor Rudolph expelled the English Merchants Adventurers in 1597, and Queen Elizabeth retaliated by closing the Steelyard the following year. The *Kontor* at Bruges had suffered from the decline of that city's commerce in the fifteenth century, as the harbor silted up and the routes of trade shifted. Lübeck's war with the Dutch in 1438 led to their temporary secession from the League, and they withdrew finally at the close of the century.

Germany had a brief period of great prosperity just at the close of the middle ages. Large banking houses, such as the Fuggers, were rising in German cities, and some merchants were devoting themselves exclusively to what we call wholesale trade. While the Germans, especially through the Hanseatic League factories, did a most important work in establishing the best business methods on the frontiers of Europe, their enormous power was largely founded upon the weakness of others. Their organization was efficient, but their general policy was narrow. Many of the cities clung to the League merely as the lesser of alternative evils, the imperial authority in Germany being weak to the vanishing point. The peoples the Germans exploited learned rapidly from them, eventually breaking the monopolies without which Hanseatic dominance could not continue. Already reduced to a shadow of its former greatness by foolish wars and

obstinate persistence in outlived policies, the League finally went down in the general destruction of German prosperity during the Thirty Years' War.

Besides a southern European trade in wine, salt, oil, fruits, silk, sugar, and the usual oriental goods, the Hanseatic League dealt in practically all the products of northern Europe. Furs, hides, leather, grain, and wax were collected at Novgorod from the interior of Russia. For these were traded woolens, linen, metal manufactures, salt, wine, and beer. From the Scandinavian lands came timber, iron, copper, furs, live stock, blubber, fish, meat, and grains. In exchange for these went more finished foodstuffs, cloth, wine, beer, manufactured wares, and the usual southern European imports. The great exports from England were wool, leather, hides, and tin; the main imports in exchange were manufactured goods, herrings, and wax. The Hansards poured into the Netherlands all the raw and finished products of the North and East, taking in exchange both the local raw materials and manufactures and the Mediterranean goods brought by the Flanders fleets.

FUNCTIONS OF THE GILD MERCHANT

The gild merchant which existed in nearly every one of these trading towns is not to be confused with the municipal government; but it exercised very important functions under that government and wielded great influence over the town officials, particularly the burgomasters and sworn men to whom financial matters were more and more delegated. As stated above, in many towns some officials had to be members of the Hanse or league of towns, and such membership was open only to those of the gild merchant, so there was overlapping of authority. The gild merchant always looked after foreign commerce. It supervised the crafts until they grew powerful enough to form chartered organizations of their own. Even then, the craft output for export had to conform to the requirements of those who had a monopoly over exporting, and many of these particular craftsmen were not financially independent of the exporters.

That craft guilds finally secured a large voice in local regulations was due not so much to a revolt against the gild merchant as to the division of an enormous and irksome task. Craftsmen had a more detailed knowledge of their own particular products, as well as greater facilities for imposing the uniformity desired by all. In addition to its purely economic functions, and to assist it in performing them, the gild merchant was given a quasi-legal jurisdiction over its own members, particularly in commercial matters.

The North European urban communities were small and highly dependent upon the surrounding country for a living at the time their merchant guilds were formed. Church, lay government, and agricultural institutions were older than the town, and peculiarly distinct from it. Its most striking economic feature, as Pirenne remarks, was its sterility. It had neither serfs nor estates to give it a direct claim upon the produce of the soil, without which it could not live. Food could be obtained from lords or peasants only by voluntary exchange of imports or manufactures. To keep down the price of food and bolster up that of the articles exchanged for it, the association of merchants had to prevent the appearance of independent middlemen. The peasants brought their produce to the market and sold it direct to the burghers. No one was allowed to keep a surplus, or to buy wholesale for trade until local needs had been met. Many towns imported food, such as grain or fish. It was much more difficult to control the prices of such imports than of local produce. Individual monopoly was prevented by forcing the importer to share his purchases with fellow guildsmen. The townsmen had some protection from excessive prices, but there was little regulation of a type calculated to protect the peasants from low prices.

Other imported merchandise besides food was dealt with in much the same way. No one was allowed to forestall—that is, for example, to go out and meet an incoming ship in order to purchase its cargo before it had been on the open market. Engrossing, or attempting to corner the supply of a com-

modity, was forbidden, as was also regrating, or buying merely to sell again at a higher price. Not only were these regulations enforced, subject to fines and punishments, but their breach was rendered doubly difficult by the right of fellow gildsmen to share in the bargain. In some places this right existed only if the gildsman making the demand was present at the original purchase, but in others even those not present could claim a share. The idea was to keep prices down, to guarantee equality of opportunity, and to prevent the rise of a class of non-producing middlemen.

The mediæval idea of a "just price" was not very different from our modern notion of the cost of production. For example, the assize of bread and ale — the fixing of weights or quantities and prices of these staple articles of diet — took place at least four times a year, oftener if conditions called for it. This duty usually devolved upon the presiding officer of the gild, assisted by other gild or town officers. Fluctuations in supply and other special conditions were taken into account, and an honest attempt was made to arrive at fair prices in view of the economic situation at the time.

Such a monopolistic institution served the needs of small places very well. During the early history of the gild merchant, the northern European town drew its living chiefly from the surrounding country, exchanging mainly local craft products for its food and raw materials. The volume of export and import trade was small enough that a single gild could care for it and yet have time to look after other matters such as craft supervision. By the time towns of twenty, thirty, and forty thousand inhabitants appeared, however, this was no longer the case. The mere increase in the amount of commerce brought its own difficulties, aside from changes in the character of the trade. The use of money was gradually introduced into the countryside, and mining and trade increased the supply and circulation of precious metals. Servile dues were commuted, ideas of profit and surplus crept into agriculture, and communications were improved. The peasant's bargaining power increased with the money in his

pocket, his choice of markets, and the growing needs of the towns. Prices rose as the quantity of coinage and the rapidity of circulation grew, always to the advantage of the villager who had converted his services to fixed payments at a time when money was scarcer and harder to get. Grain was grown increasingly for export, and marketed through middlemen who inevitably bid against each other.

As the towns grew, the craft groups increased in number and complexity. Two or three weavers in a place were easy enough to supervise, and might show little inclination to unite; but it was quite different with forty or fifty. The craftsmen who made goods for merchants to export gradually became hired laborers, but those who produced for the local market formed guilds of their own and escaped from the supervision of the gild merchant. Since the local market remained by far the most important in most of the towns of northern Europe, the craftsmen who supplied it were more numerous, and their coöperative guilds for the regulation of production and sale may be said to be typical. In such highly industrialized regions as Flanders, however, especially in the fifteenth century, the wage-earning proletariat of many of the towns was large. Manufacture for export, like export and import trade, being carried on with considerable capital, the moneyed aristocracy tended, like the working classes, to split up into specialized groups. In such towns, a complicated gild hierarchy appeared, not very different from that of the Italian cities, and there were similar class struggles for control of the municipal governments. This tendency was not conspicuous in England because England had few great exporting industries in the middle ages, and much of her foreign trade was carried on by continental merchants. She stood in somewhat the same economic relationship to the Flemish and German towns that the Balkan States have to Germany in the twentieth century.

The strong central governments of northern Europe, dominated by the landed or country interests, checked the formation of city-states. Flanders went farther in this direction

than the rest of northern Europe. Even here, central authority finally prevented the dominance of capitalists like the Medici of Florence, and some incipient groups of towns under a single one were broken up. In the absence of opportunity to become local oligarchs, the wealthy *élite* of the northern European towns came to prize citizenship above gild membership. Unable to control other towns or wide country districts, the northern cities adjusted themselves as coöperating units in the larger states. Burghers expended their energies toward the elevation of their class in the councils of states instead of consuming them in local rivalries. The hanses had played an important part in establishing habits of coöperation.

GROWTH OF CRAFT ORGANIZATIONS

Up to the eleventh century, most of the craftsmen of northwestern Europe had been serfs, working for clerical or lay lords either in their own cottages or in the households of the latter. Few different kinds of goods had been produced, most of these for local consumption.

The town was an economic fact before the recognition of that fact in charters. Some artisans had collected in these embryonic urban communities, and had begun to work for the traders under non-servile conditions. The acquisition of legal status by the towns and the increased activity of the gild merchant merely brought to a focus tendencies in the crafts which had already appeared. The stimulus to commerce born of the crusades exerted its northward pressure almost immediately. Craftsmen in ever-increasing numbers copied the goods which commerce brought in, soon discovering that they could make many of them cheaper and better.

The typical artisan owned his tools. After the break-up of house industry, carried on by unfree craftsmen, the small workshop of the freeman became the typical establishment. Sometimes the artisan bought the raw materials; sometimes he worked up those of the consumer. It depended upon the nature of the particular craft and the local conditions.

Not infrequently the same craftsman worked on both bases for different customers. For instance, a chandler (candle-maker) would sometimes work up a quantity of grease for one man at odd times between his other orders, for which he used his own. A modern example of the same thing is the tailor who makes suits either from his own cloth or from that furnished by customers.

The master was a small-scale *entrepreneur*, owning his tiny plant, maintaining and teaching his apprentices, hiring his journeymen or trained assistants, and selling his finished product. Several means of selling were open to him, in addition to receiving orders for goods to be made up. Sometimes he sold his merchandise from the front of his workshop, above or in the rear of which he probably lived. Sometimes he carried his goods himself to the public market. Even a craftsman like the chandler, who worked chiefly for the local trade, might sell some of his wares through a merchant to the fairs or markets outside.

As the demand became larger and more varied, the technique more elaborate, crafts tended to split up into specialized parts. For instance, one craftsman would make only one of twenty different kinds of woolen cloth, or would carry on only one of a number of distinct operations such as spinning, weaving, or dyeing. This did not lead, as in modern times, to any great industrial concentration, except in a few localities where a limited number of products were made almost exclusively for export. Generally, the division and subdivision of labor merely multiplied the number of small enterprises.

The Low Countries were the outstanding exception in northern Europe. They were directly affected by the greater industries of southern Europe, such as the Calimala at Florence, which bought Flemish fabrics and often refinished them. At Ypres from the thirteenth century, one hundred and forty drapers (wholesale dealers in woolens) centralized the control of the woolen industry. They controlled the output of the smaller shops and set up something like the domestic or

putting-out system which became general only in modern times. There were very few big central shops, however. The capitalists sometimes owned the tools, but whenever possible they preferred to leave the worker in his small place, with his own tools, and merely to control his purchases and sales from a central agency. Only the control was concentrated, not the industrial processes themselves. Some examples of this type of organization were found not only in the Low Countries, but in the Rhineland and northern France as well. They were not typical. Remembering that they were there all the time, we may leave them to one side in the discussion until we come to the reasons for the decay of the mediæval system.

In the early days of the gild merchant, craftsmen were often admitted to membership. They may even have constituted half or more of the fraternity at some places and times. The word "merchant" did not have its present significance. Often the merchant was little more than an itinerant peddler or chapman, or an enterprising master craftsman who bought and marketed far afield. So starved for free enterprise were the middle ages that the men who had the energy and ingenuity to carry on trade soon became specialized to it. The merchants became a class apart from and superior to the craftsmen in the social order.

When the number of fellow townsmen plying a single craft (art, mystery — French *mestier* or *métier*) became considerable, there was an irresistible tendency for them to work together in the interest of that particular craft. This led to the formation of separate associations of gilds of craftsmen. The minute regulation of industrial processes soon became too complicated and technical for the gild merchant to look after, so the details were turned over to the craft gilds.

The relationship between craft gilds and the general gild merchant was not everywhere the same. In some instances, important crafts merely split off from the gild merchant, but the historical process was not usually so simple. As the merchants became specialized to trade and amassed wealth, their

associations grew more aristocratic. Increasing numbers of craftsmen were excluded. The craft organizations were forced into existence by an enormous expansion of the crafts, accompanied by a relative numerical shrinkage in the gild merchant membership. Most of the craft gild charters were in no sense derived from the gild merchant, but were granted directly by municipal or other governments. This raised the possibility of clashes of authority. If the municipal government had been everything, as in Italy, similar struggles to control it would have been inevitable. There was a great deal of such friction when and where the central authority was weak — particularly in Flanders and parts of Germany.

APPRENTICESHIP

The best single key to the understanding of craft organization is found in the system of industrial and social education. Apprenticeship was designed as a real training for social usefulness as well as for craftsmanship. A master craftsman's son had the right to follow the trade of his father, but only after thorough preparation. He might be apprenticed out to another master or get his training in his father's shop. In some cases he was allowed to succeed his father or set up a shop of his own, aided by competent workmen, before he had fully satisfied the gild wardens of his maturity and expertness; but such probationary mastership was exceptional. As a rule, the master must be twenty-three or twenty-four years old, and have passed through an apprenticeship of from three to twelve years, depending upon the locality and the difficulty of the trade. In England, the commonest length was seven years. At Paris, a glass-cutter must serve ten years and a maker of paternosters twelve. A man's craft was literally his art — hence the name "artisan."

The length of apprenticeship seems excessive at a glance, but it was probably due mainly to a desire to guarantee proficiency. Empirical methods made the learning process, as well as the work itself, long and stereotyped. The mediæval craftsman commonly had to make his tools as well as his

final product. Metal-working and alloying, for example, were tediously carried on by rule of thumb. There was a large use of the precious metals in the form of plate rather than coins, so that adulteration or debasement was difficult to discover without damaging the articles tested. Hence it was usually forbidden to make plated or filled articles of gold and silver. The exact fineness of the metal was hard to regulate except by making sure of the integrity, as well as the skill, of the master. The same problem arose in connection with mixtures of yarn in textiles, such as linen or wool with silk, and such practices were usually forbidden. Craftsmen were not allowed to use colored glass in place of jewels, even when no attempt was made to deceive the original purchaser; and we repeatedly find records of such prohibitions as the ornamenting of bone articles with gold and silver, lest the bone be passed as ivory.

In the absence of large-scale production, grading, and sales by sample, quality could be assured only by insisting upon certain moral qualities in the producers. The system of apprenticeship looked after this on the constructive side; gild supervision made sure that it had been achieved by checking up the actual work and the product. In the interest of thoroughness of technical and moral instruction, as well, perhaps, as of the regulation of output, the number of apprentices a master might take was usually restricted. The maximum number varied with the time, place, and trade. Sometimes, especially late in the middle ages, no limit was imposed.

The apprentice lived and worked with the master and his family, under a contract or indenture. Thus, one John Goffe apprenticed himself in 1459 to John Gibbs, of Penzance, Cornwall, for eight years, to learn the fishing trade. He was to work faithfully for Gibbs and his wife, protect their interests, and see that their goods were not wasted. In return, they were to teach him the trade, find him suitable food and clothing, "chastise him duly" when necessary, and finally to pay him twenty shillings sterling "without any fraud." If an apprentice ran away, he could be brought back and

punished. Repetition of the offense led to his permanent debarment from the craft. On the other hand, masters who abused or neglected their apprentices were liable to punishment. In aggravated cases, the craft might take away a badly treated apprentice, or even impose a fine upon the master. Masters were forbidden to take away each other's apprentices without free surrender, proper compensation for training already given, and gild permission.

Other elements entered into the limitation of the number of apprentices, though the assurance of good work and proper training was in general the most important. There was naturally some desire on the part of the masters and journeymen (wage-workers who had finished their apprenticeship) to avoid competition by keeping down the number of entries into the craft. In the later and more monopolistic days of the gilds, considerable fees were sometimes charged for entrance into mastership, and great discriminations made between the sons of masters and others. In line with the personal qualities sought, German towns commonly barred illegitimate children from apprenticeship to gilds, and known scurrilousness of character everywhere militated heavily against the candidate. Sometimes, especially at the close of the middle ages, the applicant for mastership was obliged to prove his fitness by producing a "masterpiece," which was not, however, excessively difficult as a rule. The cobbler might be required to repair three shoes in a workmanlike manner, the saddler to make a cheap but acceptable saddle, etc. In crafts such as gem-setting, where the apprenticeship was long and the standards of artistic excellence high, the masterpiece would naturally be more difficult. In spite of exceptions, it is safe to say that when the mediæval economic system was at its height, entrance into the various craft gilds was restricted by little except the merits of the candidates. The central governments of northern Europe frowned upon any local tendencies toward monopoly which might raise prices or restrict output. Matters like excessive fees were gradually brought under the jurisdiction of the royal courts.

JOURNEYMEN

Having passed through the requisite years of training and satisfied the gild wardens as to his skill and integrity, the French apprentice ordinarily became eligible to mastership if he could raise the capital. A master's son might go into or take over his father's shop at once. As industry developed and the requisite amount of capital increased, it became more generally customary for the candidate to work for wages during a further period in which he accumulated funds and experience. In England, this was commonly compulsory, the candidate not being admitted to mastership until a period of two or three years had elapsed since the completion of his apprenticeship. This was the German *Wanderjahr* ("wander-year") during which the graduate apprentice picked up the secrets of other places and masters. The English word for these workers was "journeymen" (French *journée* = day); the French called them by various names, such as *compagnons*, *varlets* (*valets*), and *locatifs*.

The seeds of the eventual overthrow of the craft system lay in the relationships between masters and journeymen. There was always the danger that the more enterprising masters would enlarge their businesses, become mere employers of labor and overshadow the lesser producers. They would then have no time properly to train apprentices. From their own point of view, this difficulty could be gotten around either by hiring journeymen who had already been trained, or by so subdividing the work that one workman needed to understand only a part of it. Either solution, if generally adopted, would create a permanent class of wage-earners — that is, a group of journeymen who never became masters. The democracy of the gild would inevitably be destroyed, as the class which owned the tools and gave the orders would certainly set itself socially above the class which did the work. This is what occurred in the long run.

There was no class distinction between master and journeyman at the height of the middle ages. They worked side by side at the same tasks, the gild fixing their respective re-

munerations. For example, a London master tiler of the fourteenth century was paid five and a half or four and a half pence per day, depending upon the season, while his journeyman helper got three and a half or three. The journeyman would be a master himself within two or three years. Real class lines did not appear between the two until this regularity of promotion had been broken down. Social classes, properly speaking, must be founded at least partially upon the principle of heredity. The old merchant gildsmen had already become a narrow hereditary aristocracy. A son inherited his father's social position with his wealth, just as country aristocratic families handed down their social class with their lands. When large amounts of capital began overflowing into industry, a new industrial aristocracy grew up, based like the others on the control, and especially the inheritance of control, of property. Unlike a master's son in the heyday of the craft gilds, the son of the new specialized employer did not have to prove his technical and moral fitness to a group of wardens before he took over his father's business — birth was sufficient. No matter what the skill or moral worth of a journeyman, he found it hard to amass sufficient property on one lifetime to admit him to the employing class. Instead of looking forward to mastership as the natural and fairly certain reward for meritorious effort, the journeyman generally remained in a lower class of permanent wage-laborers. This had been true of the exporting industries almost from the beginning, and was merely *extended as trade* increased. "Commerce dominated industry during the middle ages."

NATIONAL GOVERNMENTS AND GILD EVOLUTION

The Six Gilds of Paris occupied somewhat the same position as the seven greater gilds of Florence. As in many other of the larger cities of northern Europe, the gilds here showed the same tendency toward hierarchy as in Italy. It is interesting to note how the central governments fixed limits to this tendency.

A class war between the common people and the rich which

broke out at Beauvais in 1233 immediately attracted the attention of King Louis IX of France. Instead of allowing the struggle to run its conventional Italian course, the King imposed a mayor from the outside. When the official was disrespectfully treated, a royal army razed the houses of all the leaders and threw fifteen hundred men into prison. In the long run, the French crown made good its persistent claim that all the towns in the realm were royal towns, and owed direct allegiance, whether situated in the royal domain or not. Étienne Marcel, Provost of the merchants of Paris, seemed on the verge of getting control of the French Government in 1357, but the Dauphin escaped, called a rival parliament at Compiègne, and successfully played the rural aristocracy against the guilds. The London guilds figured in the peasant revolt of 1381, but their allegiance was divided and there was never any serious danger that they would get control of the city government.

English towns had always been kept pretty well in leash by the central Government, but the French kings had to play a very astute game to get theirs under control. They made the most of the feuds between towns and nobles, the bourgeois class and the Church, and the various social classes within the towns themselves. The ecclesiastics often sided with the lay nobles against the townsmen, as, for example, at Laon in 1294. On this occasion, two lay nobles and a Church dignitary were dragged through the streets and so severely beaten that one of them died in the jail into which they were later thrown. As the result of a feud with his townsmen, the Bishop of Beauvais gave up his own city to fire and sword at the hands of armed bands in 1305. The history of Soissons is one long series of conflicts between the townsmen and the cathedral chapter.

In their attempts to get control of the towns, the French kings sided indifferently with nobles or burghers when the two quarreled. When social wars broke out, the kings took the part of rich or poor, as seemed expedient. The Church put them in a much more serious dilemma — one they finally

had to take by the horns. If they sided with either bishops or burghers when the two fell out, as they frequently did, the effect was to strengthen one or another of two groups which the Government earnestly desired to weaken.

At the close of the thirteenth century, both Edward I of England and Philip the Fair of France began a frontal attack on the economic position of the Papacy by levying taxes on Church property. Pope Boniface VIII protested in the famous bull *Clericis Laicos* of 1296, forbidding the clergy to pay taxes to states. Edward threatened to outlaw the clergy, and to withdraw the protection of the State, if the bull was obeyed. Philip's methods were less spectacular, but more dextrous and effectual. He stopped the export of money, jewels, food, and military supplies from his kingdom, and ordered all foreigners to leave. This made it impossible for the Pope to collect his revenues in France, and forced a host of rich Italians to return home without money or jewels, leaving their debtors and their business behind. The Pope hastened to explain away the most objectionable features of the bull, and he and Philip patched up a truce.

King Philip soon proceeded by a series of master strokes to rid himself entirely of Church opposition to his policy of national consolidation. The issue was directly joined when the Viscount of Narbonne did homage to the King instead of to the Archbishop of Narbonne for his territory. In this same year (1301) Edward I got his parliament to repudiate a papal protest over the occupation of Scotland. This idea appealed to Philip, so in 1302 he called together the first general French parliament (Estates General), which included burgesses from the towns. After assuring himself of the moral support of this group, he sent an agent to Anagni, in Italy, who insulted Boniface and even attempted to kidnap him. The Pope was rescued by the townsmen of Anagni, but died a month later. Philip proceeded, in 1305, to capture the Papacy itself. A French Pope was elected, the See was moved to Avignon on the Rhone, the College of Cardinals was packed with French supporters, and for over seventy years the Church remained

in what is known as the "Babylonian Captivity." The new Pope allowed Philip to destroy the Order of Knights Templars, one of the great financial organizations of the time, and to confiscate its property in France. The Church was greatly weakened by the "Babylonian Captivity" and by the great schism into three parts which followed. By the "Pragmatic Sanction of Bourges" (1438), the French clergy were guaranteed freedom of election, and all right of appeal to Rome from French courts was abolished. This had occurred in England long before, by legislation and decree. The growing economic supremacy of national over papal government furnished one of the most characteristic trends in the development of northwestern Europe.

Admission of burgesses into the national parliament was only one of the royal methods of wearing down town autonomy. One of the chief popular complaints against the moneyed ruling class was the maladministration of finances. Towns were falling deeper and deeper into debt. Many budgets which have come down to us had chronic deficits, and the total indebtedness was often enormous. The central Government aggravated the economic difficulties of the local authorities by allowing appeals from their decisions to the *parlement* or central court, by interfering with administration and elections, and by the imposition of heavy fines for the slightest infringements of laws or rules. Finally, staggering under their burden of debts and fines, torn by class strife, tormented by a cloud of royal functionaries, the towns one by one went through a general liquidation of the old autonomous system. At the threshold of modern times, a real French nation arose out of the ruins of town economy as well as of feudalism.

In the Flemish towns, the gild strife was given a political and international cast by the Hundred Years' War between England and France. The cloth merchants of Ghent, led by Van Artevelde, sided with England, whence came their wool and unfinished cloth. The Counts of Flanders had leaned more and more toward France, but there had long been bad

blood between the Flemish townsmen and the French Crown. A French army had been routed at the "Battle of the Spurs" in 1302, the victorious townsmen picking up seven hundred gold spurs on the battle-field. The new counts intermarried with the French nobility and soon lost the fruits of victory. Count Louis called in a French force to help quell a new revolt in 1328, with the result that the popular soldiery were annihilated. The time of the lower-class Bowman or musketeer who could meet the mailed knight on equal terms had not yet come.

Both the French king and the Flemish burghers feared the outcome of an appeal to arms, and Flanders would doubtless have remained neutral in the impending war between France and England had not the count deserted to the French. All the burghers had really aimed at in their dealings with England was assurance of continued commerce, without which the Flemish towns must suffer from unemployment and famine. The aims of Edward III were probably not so simple or defensible. Van Artevelde and his followers were placed in a dilemma by the count's flight. Lower-class support could not be counted upon with the "legitimate" ruler in France. As a piece of war propaganda, Edward was persuaded to assume the arms and title of the King of France, to which he had a shadowy claim through the female line. The idea was that he could then legitimize Van Artevelde's Government, denounce Count Louis as a traitor, and thus hold the allegiance of the lower classes. A move was made to install the English royal heir as Count of Flanders; but the rich gildsmen violently opposed this as likely to end in economic absorption.

Van Artevelde's new government was based on three economic groups: (1) the "Old Citizens" — including both the rich gildsmen and other old families; (2) the weavers, a newly organized, powerful middle industrial group; and (3) the lesser gilds. This strongly suggests the social stratification of the Italian towns.

Not only were there two radically different economic sys-

tems in the towns of Flanders and Brabant, as suggested in a previous paragraph; but these often existed side by side in the same places. Crafts producing for local markets were organized much the same as elsewhere in northern Europe. Among the export industries, which were characteristically different, metal goods and woolens stood out. Metals in particular, because they are so unevenly distributed over the earth, have always constituted the one type of article which must be exported and imported in any age, no matter how stagnant or local its economic organization.

The valleys of the Meuse and its tributary, the Sambre, had the most highly developed metal trades in mediæval North Europe. The manufacture of copper ware for export of Dinant, and of hardware, cutlery, and weapons along the Meuse were organized on a totally different basis from the smiths who served the local trade. This statement holds equally true for the great exporting merchant drapers in the cities of Flanders and Brabant, as compared with the local cloth industry.

In these export trades, the distinction between employer and laborer was sharp. Employers and often employees as well were grouped in guilds, it is true, but the actual workers were day laborers, often owning nothing but the clothes they wore. They lived in hovels hired by the week, and starved, begged or wandered about in search of work whenever crises or personal misfortunes deprived them of their wages. Their daily grind started and stopped at the sounding of a bell; they drew their pay Saturday nights, and were held in contempt as "blue nails" by the more fortunate classes. The employer furnished the raw materials, and often the tools as well, and he alone knew anything about the market for the goods. Even the infamous "truck system" of some modern company towns was sometimes in evidence, the workmen being paid in goods of such quality, and at such prices, as the employer might elect. The one characteristic of the early nineteenth-century factory system at its worst which was wanting in the Low Countries at the close of the middle ages was the concentration in large shops.

The employers were capitalists in the strictest sense of the term. Iron was mined at Namur, but was also imported from Germany, France, Spain and the island of Elba in the Mediterranean. Raw copper came from Germany, Spain, Italy, or Derbyshire in England. England was also the great source of lead, furnished the bulk of the wool for Flemish looms, and was rivaled only by Bohemia in the export of tin. The capitalists of the Low Countries, organized into great monopolistic guilds, imported raw materials and shipped out finished goods almost without any government restrictions as to quantity or price. The laborer who made up these goods was not himself a commodity — that is, a slave — but his labor was, which amounted to pretty much the same thing, since the Government gave him practically no protection. He could starve or work on terms fixed by an organized group of employers who alone had access to materials, markets and, in many cases, tools (especially where hydraulic power was used, or the plants were expensive — iron furnaces, for example). In their misery, the laboring classes overpopulated, so that their labor became a drug on the market, and they were sternly forbidden to combine for greater bargaining strength.

The more democratic local crafts bitterly resented the control of the greater guilds over the town governments, which often led to importations by merchant gildsmen of goods to compete with the local product. The little oligarchies of rich burghers which dominated the towns of the Flemish Hanse were well aware of the social dynamite inherent in this situation. They made concessions to the crafts of local producers to prevent them from making common cause with the oppressed proletariat or with the restive feudal aristocracy. A further factor for possible disturbances lay in the attempts of the larger towns to dominate the smaller ones, the villages and the countryside near by. To make matters worse, guilds of similar social prestige often quarreled with each other. Over the whole was the fabric of ducal and royal intrigue for the control of the entire region.

To make a long and complicated story as short and simple as possible, this maze of conflicting groups or potential groupings was the rock on which Van Artevelde's government foundered. In 1345, at a moment when the support of the lower classes was wavering, King Edward suddenly recognized Count Louis, who was at once supported by the masses. Van Artevelde was mobbed and killed. The commercial bureaucracy declined, and the town governments fell more and more into the hands of the lesser crafts. They were not much interested in foreign trade, and as a result the Flemish Hanse disintegrated after about 1350. Count Louis had already been killed at Crécy in 1346. All the French were cleared out of Flanders after the disaster at Poitiers in 1356. Twenty-five years later, a new popular revolt under Van Artevelde's younger son failed — this one took place within a year of the English peasant revolt in 1381, which was likewise complicated by gild struggles.

The Low Countries fell into the hands of the Dukes of Burgundy, and a century later (1477) the Habsburgs acquired the territory by marriage. A long series of municipal wars came to an end in 1492, and in 1494 Philip the Handsome, son of Emperor Maximilian and Mary of Burgundy, ruled as a national prince. The era of municipal autonomy was over.

The misfortunes of Bruges were multiplied by the gradual silting up of its harbor. Its commercial leadership passed to Antwerp for about a century, whence the Spanish religious persecutions and short-sighted economic policies finally drove it to the rising cities of the Dutch Netherlands.

Thus at every turn the narrow policies of North European cities were hedged about, and their movements, both popular and capitalistic, checked and guided by the rise of national states. Germany remained in a somewhat anomalous condition at the end of the middle ages, due to the vague suzerainty of the Habsburg or Holy Roman Empire. Within it were some strong governments of princes, dukes, electors, or archbishops. The three free cities of Hamburg, Bremen, and Lübeck long continued the traditions of the Hanseatic League,

but not its prosperity, which was gradually shorn away by the national states.

One international aspect of the rise of capitalism and of an oppressed proletariat in the Belgian lands deserves mention. Large numbers of workmen fled the country, carrying their skill to England, Germany, and the Dutch Netherlands in particular. Here they worked up raw materials such as wool and metals which would otherwise have gone to the Flemish towns, and at the same time usurped their markets for finished goods. Edward III of England was especially assiduous and successful in settling groups of Flemish weavers within his kingdom. It was hard on the English weavers at the start, and they registered many complaints, but in the long run it contributed much toward the economic emancipation of the country.

MONOPOLY, WORKMANSHIP, AND PRICES

The craft guilds tried to maintain a local monopoly of the respective trades involved, to uphold the quality of the goods turned out and to regulate prices and wages. Local monopoly was possible only so long as territorial division of labor remained slight, each town producing chiefly for itself and for the surrounding country. Quality of goods was less successfully maintained than some romantic modern treatises and flamboyant advertisements of gild products would have us believe. The craftsman was obliged to work only before his window, in plain view of the public. Night work was generally forbidden. For this prohibition there were two reasons. Mediæval artificial light was poor — good work and proper inspection were difficult by candle-light. Then, too, competition between fellow gildsmen was generally deplored. The mediæval craftsman was not trying to get rich, or, as a usual thing, to break into another social class. The interest of all was best served by fixing limits to the size and output of each enterprise, and by maintaining a rough equality of condition. Night work would have given an advantage to those willing to do it.

Scamped workmanship was common, in spite of all sorts of regulations to prevent it. There are preserved to us records of pots made of inferior metals, so that they melted when put on the fire; of cloth stretched to the utmost; of poor textiles substituted for good after sale; of one leather dressed to look like another. One London baker's boy was wont to steal customers' dough through a trapdoor in the kneading-board while his master was working it up under the very eyes of the owners. English cloth from the west country was so scamped as to place in jeopardy the reputations and even the lives of those who took it abroad.

Charters of gilds (both merchant and craft) on the one hand and of fairs on the other were constantly clashing. There were endless disputes between closely related crafts. Shoemakers tried to prevent cobblers from making new shoes, and cobblers disputed the right of shoemakers to repair old ones. The Parisian tailors and old-clothes dealers quarreled for centuries as to when a suit was technically old. A French currier who had taken up tanning was forced to choose between the two crafts. The drapers, one of the most powerful and arrogant of the gild groups, engaged in endless disputes with the fullers and dyers. In Paris, the old-clothes dealers began buying up and refinishing old shoes, thus coming into collision with the shoemakers and cobblers. The cabinet-makers disputed the monopoly of the locksmiths in making various pieces with locks, and it was forbidden to install an old lock in a new cabinet. A saddler could not make a stirrup, and the harness-makers and saddlers wrangled interminably over the right to produce similar articles.

Price regulation was easy enough as long as the variety of goods remained small and strict uniformity of products could be maintained. To prevent diversity, all innovations in methods, tools or materials were forbidden. Invention of a superior tool by a craftsman would not only make conformity to the regulation technique impossible, but it might also give the innovator such an advantage over his fellows as to destroy the equality on which the fraternity rested. Even after the

accumulation of capital had destroyed the essential democracy of the earlier craft groups, innovations remained difficult. The French kings ceased to fear the guilds after the collapse of the movement for municipal independence, but an attempt was made to uniformatize them throughout the kingdom, destroying local differences which might have led to technical improvements. The multiplication of wants caused the appearance of new kinds and grades of goods, however. Some changes in method occurred inevitably, corollary to the growth in size of industrial units. A relaxation in price control took place largely because of the impossibility in practice of keeping track of so many articles of various grades, produced under different conditions and often consumed far from their places of origin.

Regulation of wages gradually passed out of the province of the craft guilds with the general closing of the gates to mastership and the appearance of a fixed class of wage laborers. Just as the earlier narrowing of the guild merchant had stimulated the growth of separate craft organizations, so now the exclusion of journeymen from these led to the formation of new associations of wage-workers exclusively. Sometimes the journeymen had been represented in the government of the crafts and sometimes not — it had made no great difference so long as they looked forward to becoming masters, or full members.

ASSOCIATIONS OF JOURNEYMEN

The usual method of placing journeymen was for them to congregate at some habitual spot like a public place or a cross-road, where they were sought out and employed by the masters who needed help. Such meetings led to a feeling of class solidarity among the laborers and to some organization. Strikes and riots occurred, and the workers were often shut out from their customary meeting-places, as at Rouen in 1285. Combinations and strikes of workmen must have been common at least as early as 1280, for the *Coutume de Beauvoisis* of that year, by the jurist Beaumanoir, expressly characterizes them as illegal and an offense.

In England, the masters constantly complained that these organizations of employees forced up wages in defiance of the fourteenth-century labor statutes which followed the Black Death. The conflict was not merely over wages and hours. One grievance of the new laboring class was the employment of workmen who were not strictly journeymen, since they had not served their apprenticeship. The excuse for this was the general scarcity of laborers following the Black Death. It became particularly acute in the towns because of elaborate laws to keep the lower classes in the country. For example, an English law of 1388 forbade the apprenticing to any craft of a person who had served in husbandry to the age of twelve. Some of the pseudo-journeymen became masters or employers without ever having been apprenticed at all. In the crafts which employed large numbers of journeymen, there was much friction between employers and employees over the hiring of foreigners.

Both economic and political repression was employed by masters. Often the craft gild had complete control of funds jointly contributed by masters and journeymen. Urged on by the new employing class in control of the craft gilds, town governments sought to prevent or break up all fraternities of "young and unstable people" who might object to the established order. Systematic repression was employed in the fifteenth century to prevent journeymen from setting up small shops of their own and taking apprentices. There was also much friction over home or outside work undertaken by journeymen who were regularly employed.

The *compagnonnage*, or loose association of journeymen, was more common and powerful on the continent than in England. It cropped up in France even after the revolution of 1789. It was closely related to freemasonry, which is supposed to have originated among the builders of mediæval cathedrals, and claimed to go back to the Templars, if not to the builders of Solomon's temple. Such organizations, of which a variety existed, often had complicated secret rituals.

Journeymen's associations suffered from the chronic weak-

ness of workmen's organizations, the want of able and consistent leadership. When all else failed, it was often possible to grease the passage of a labor leader into the class above, increasing his own economic opportunity and social prestige, but leaving his erstwhile followers to do the best they could.

SOCIAL AND RELIGIOUS ASPECTS OF GILDS

The desire of the human being to identify himself with groups seems to inhere in his gregarious nature. It is likely that the force which lends similarity to the ancient, mediæval, and modern organizations loosely grouped under the word "gild" is fundamentally social rather than economic. In the ancient crafts and burial societies, men enjoyed collectively a recognition which was denied those of their class personally. The individual workingman got his sense of social dignity and worth both by identification of himself with the splendid bigness of the whole, and by his own position in this larger entity. In the case of the burial societies, the member was assured of a certain amount of pomp and personal recognition on the occasion of his death. The whole was inextricably bound up with his formal religious beliefs, and also with his deepest feelings about his relationship to a universe bigger than any social group, even the imperial State. Religion has nearly always played an important rôle in fraternal orders. Ancient craft organizations had their voluntary and purely social aspects, even where membership was compulsory. These perennial social elements attached themselves to frith gilds and all the various protective associations of the early middle ages. They were transferred to merchant and craft groups when economic circumstances raised these to predominance. Bankers, money-changers, wholesalers, and great manufacturers used their economic position to lord it over others, but this certainly does not mean that such desire for preëminence is fundamentally economic. The same is obviously true of the very special privilege enjoyed by the Six Gilds of Paris, that of bearing the blue canopy which sheltered royal or papal personages in solemn entries into the city. It

would be carrying the theory of economic determinism to ridiculous lengths to say that it explains the mediæval professor's enjoyment of the social privilege of walking on the wall side of the pavement like the nobles.

Some of the craft gilds appear to have originated as religious fraternities; others as they grew in importance took on religious or other allied social functions. It was very common for the followers of certain crafts to form friendly societies or brotherhoods (*confreries*) which had about the same membership as the gilds themselves. These *confreries* often had elaborate religious rites in honor of the patron saint of the craft — for example, Saint Joseph as patron of the carpenters, Saint Peter of the bakers, and Saint Fiacre of the gardeners. They organized processions, assembled together for high mass, buried their dead with suitable rites and maintained funds for the aid of their sick or unfortunate members. Such groups often became powerful, and were viewed with suspicion by churchmen, who repeatedly denounced them for heresy. Attempts to suppress them led to the transformation of many into secret societies. This is particularly true of journeymen's orders, which did not enjoy public recognition.

One of the important social contributions of the craft gilds and their associated societies was the mystery (mistry) or craft play. Biblical incidents were portrayed in cycles of pageants tending to develop the drama, secularize religion and give social solidarity to the lower and middle classes.

POPULATION OF THE TOWNS

There were no accurate population statistics in the middle ages, but shrewd estimates have been made from such data as tax rolls, gild lists, etc. Paris, with some 300,000 souls during the fifteenth century, was the largest city of northern Europe, but Flanders was by far the most highly urbanized region. London had a population of about 40,000. It is doubtful if any other English town had as many as 15,000. Perhaps a dozen English towns had over 5000 or 6000. The population of the larger French towns besides Paris ranged

from 5000 to perhaps 25,000. In Germany, Nuremberg and Cologne had over 20,000, but famous cities like Frankfurt and Basel had well under 10,000. Bruges, Ghent, and Ypres have been estimated at 100,000, or even twice that figure, but Pirenne doubts if any of them ever had over 50,000 in fact. Most of the cities, even the famous ones, had somewhere between 5000 and 20,000. Flanders was so urbanized that it was called at the time "a continuous city"; but twenty-five per cent of town-dwellers would probably be a generous estimate. Except for the Belgian lands, the bulk of the population of northern Europe lived in villages of 300 or less. In whole English counties, two thirds of the people lived in villages of less than 120 inhabitants. The great historical importance of city life was due to the changes it was destined to produce, rather than to the percentage of the population which lived under urban conditions at the time.

Many towns developed from agricultural villages, well situated for trade. A large proportion of the full citizens or burghers of many North European towns is known to have been of peasant origin. Professor Bücher gives figures for Cologne and Frankfurt, showing the percentages of newly received burghers drawn, respectively, from other cities and from villages or hamlets:

	PERIOD	FROM CITIES	FROM VILLAGES AND HAMLETS
Cologne.....	1356-1479	37.4 per cent	62.6 per cent
Frankfurt.....	1311-1400	28.2	71.8
Frankfurt.....	1401-1500	43.9	56.1

A comparison of the two periods covered by the figures for Frankfurt reveals a decided fall in the percentage coming from the country at the close of mediæval times. The author cites additional evidence to show that this was quite generally the case.¹

MONEY

When the crusades stimulated the North European demand for southern and oriental goods, one of the greatest

¹ *Industrial Evolution*, pp. 375 f.

drawbacks to commerce was the disordered state of the currencies. Charlemagne had reestablished a government monopoly of coinage, but the rise of feudalism undid all his labor. The smallest feudal units struck off pieces of any materials, weight and value which suited their fancy. Even in eleventh-century Germany, where Otto the Great had reconstructed a measure of central authority and feudalism was not yet well established, a number of lords had coinage privileges. The goods which the ruder north had to offer in exchange for coveted southern luxuries were mostly heavy for their value and costly to transport. There was thus a strong tendency for northern Europeans to owe the Mediterranean cities a balance. The Mediterranean region was wealthier. Its economic institutions being older and riper, it was the creditor of northern Europe to a very great extent — a common relationship between old commercial regions and newer agricultural ones.

The streams of the Alps, Cévennes, and Pyrenees, including the Rhine and the Rhone, were panned for gold with some success. Silver ore and silver-bearing copper ores were smelted here and there, especially in the German mountains. Exports of tin, lead, and iron to southern Europe did something to keep down the balance of trade. Not all the northern mining and manufacturing, however, could entirely undermine the commercial and financial supremacy of the Mediterranean region as long as the trade routes through the Near East retained their importance. This situation may be easier to visualize by comparing the Mediterranean commerce of that time with the North Atlantic trade of ours. Such places as London, Amsterdam, and New York maintain their financial supremacy because of similar advantages to those enjoyed by Venice or Genoa late in the middle ages.

Europe's increased general stock of money metals toward the close of the period was favorable, on the whole, to debtors rather than to creditors, and hence to debtor rather than creditor regions. On the other hand, northern economic

progress enriched many southern investors, and ecclesiastical taxes sent or credited to Italy helped to aggravate the financial dependence of the North. It is probably a mistake to suppose that there was a shortage of money in northern Europe, or at least that this was a primary factor in the difficulty. Due to the development of commercial institutions in Italy to a point where credit instruments such as the bill of exchange could be widely used, the towns got along with whatever amount of gold and silver they happened to have. After all, the mere quantity of specie was of minor importance as long as it remained fairly stable.

Mediæval Europe — both north and south — had to pay a certain price for the smallness or looseness of its various political units. With such a diversity of coinages, it was difficult to prevent money-changers from exporting or melting the heavier and purer pieces, which would tend to debase the currency without profit to the governments. Both melting and export were usually forbidden by law. The main purpose of such legislation was to protect the coinage profits (seigniorage) of the mints and to give them a monopoly of debasement when this was resorted to.

Italian coinage practices were far more orderly and business-like than those of the North. Southern commercial penetration was undoubtedly a factor in the very gradual adoption of the view that money is merely a highly useful commodity. In time, it came to be realized that a commodity which is also the common denominator of all others in exchange must be standardized to an exceptional degree in order to serve that purpose. Though they did not have this specific purpose in mind, northern rulers took measures which led eventually to greater standardization — that is, the visible small abuses which they attacked were mere parts of a more general evil, seen very dimly if at all. In the thirteenth century, Saint Louis of France forbade the circulation of any but royal coins in his own domain (a mere fraction of present day "France"). He also succeeded in getting the royal coinage accepted among his great vassals such as the

Counts of Champagne and the Dukes of Toulouse and Burgundy; but he was unable to suppress the feudal currency of such vassals in their own domains. This had already been accomplished in England, but she was more united, and the kings had the nobles better in hand.

The primary object of Saint Louis's monetary measures may be seen in the fact that seigniorage (the profits from coinage) continued to be one of the important sources of French crown revenues until well beyond mediæval times. All the northern European governments actually debased their coins at one time or another. It was considered a legitimate method of raising taxes, "prompter, easier, and less burdensome to the people than any other." There were three general types of debasement. The first merely altered the legal ratio between specie and money of account, and was thus practically the same in effect as modern inflation of paper issues. The second and third were often practiced together: a reduction in the weight or fineness, respectively, of the coins issued.

Mediæval thought was correct in considering debasement a form of taxation. In this respect, the practice is equivalent to modern inflation, which expands the amount of paper money in circulation without increasing the specie reserve accordingly. This form of taxation was denounced by mediæval writers like Oresme and Pierre du Bois as economically disastrous, ruining foreign trade and impoverishing whole classes of citizens by arbitrary changes in price levels. Business people were so much against it that thirteenth-century towns offered to pay heavy taxes in order to restore sound currency.

Only a fraction of the proceeds of either debasement or inflation goes to the Government, since purchasing power declines in rough proportion to the increase in the number of pieces based on the same amount of precious metal. In laying a burden upon all money, the Government taxes its own as well as that of its citizens. Moreover, all the other state revenues begin to yield less intrinsic value because of pay-

mediately and obviously back of Europe's modern age all rest upon Chinese inventions.

The invention of the clock escapement by Villard de Honnecourt in the thirteenth century paved the way for the first accurate time-measuring apparatus. Thus the same mediæval century furnished the two outstanding differences between ancient and modern science: Roger Bacon's name has become the symbol for the emphasis upon applying to practical ends the knowledge gleaned from experiments; and the exact measurement of time added a new symbol — science soon became interested in movement, velocity, and the causal sequence of phenomena which is sometimes called evolution. What the Greeks had lacked in their science was suitable instruments, the appearance of which had been hampered by their contempt for craftsmen and for the mechanic arts. The Romans had been somewhat more practical in applying such scientific knowledge as they had, but their indifference to exact science had left applied science and invention nothing to feed upon.

Craftsmanship in mediæval Europe arrived at an independence and respectability which it had never previously known. The result was an astounding mechanical cunning and inventiveness which found a very restricted outlet in the old and stereotyped crafts, but shone at its best in the newer ones. No one who will visit the arms museums in the Tower of London or at Dresden can fail to be impressed with the ingenuity of the repeating muskets constructed almost as soon as gunpowder came into use in Europe. They were not practical, to be sure, but this was because of the lack of suitable materials such as case-hardened steel, cheap sheet brass for cartridges, and reliable explosives for detonating caps, not because the brains which designed them were inferior in resourcefulness to any to-day. The break-up of gild restrictions was a blow at democracy and lower-class welfare for the time being, but it left an enormous fund of mechanical skill for the new age of rising individualism to exploit. Mediæval towns, as Nys has so well put it, "did even what antiquity had not done — they ennobled labor."

The technique of spinning and weaving had undergone little change since the remotest antiquity, but a much more pliable and efficient system of organization had been found — one which used free workmen and favored the development of skill. The chemistry of dyes was much better known than in ancient times. In some processes, such as fulling, mechanical power had been introduced. The greatest improvements were in the metal trades. Bronze casting remained little changed, but much larger pieces of iron could be cast, thanks to improved blowing apparatus and better constructed furnaces which melted the metal more thoroughly. Fine steel and iron work was much more rapidly and efficiently turned out than in Roman times. The Germans had developed a new science of edged-tool-making, improved the nail-making process and learned to make iron wire. Final shaping and laminating of iron and steel were much aided by the new hydraulic hammers. Glass windows were a mediæval European innovation which unlocked new architectural possibilities. Such windows were not yet much used in private houses, except those of the rich, but the colored-glass windows of mediæval cathedrals have never been equaled.

Geographical knowledge was vastly expanded during the last two centuries of the mediæval period. Northern Europe had its share of the explorers and travelers. Louis IX of France sent the Franciscan William of Rubruquis to Tartary in 1253. This monk's carefully written descriptions greatly influenced Roger Bacon. Jordanus, a French Dominican, was sent to India, and likewise wrote a record of his journey. The *Travels of Sir John de Mandeville* appeared in French in 1357. This was a mixture of popular travelogue and guide-book, based upon earlier works, including that of Marco Polo. Another of the widely circulated travel books was that of Ibn Batuta of Tangier (1304–78), who covered some seventy-five thousand miles in Africa and Asia and described the lands he visited with accuracy and graphic power.

The intellectual ferment which followed the invention of printing by movable type, about 1450, defies description.

The same man was often master of a dozen arts and sciences, flitting from one to another with amazing proficiency. Leonardo da Vinci (1452-1519), for example, was not only a great painter, sculptor, architect, and musician, but he earnestly pursued such sciences as botany, anatomy, and physics, and tinkered at innumerable mechanical inventions. As an engineer, he drew up plans for tunnels, fortifications, and water-works. He planned the making of shrapnel, flying machines, steamboats, and breech-loading cannon. His hurried notes discuss fossils in quite a modern vein, and leave no doubt that he regarded the world as in motion, not the center of the universe. He came within an ace of discovering the chemical composition of water. Most of his scientific and practical work remained, like his art, unfinished, but he devised a practical marble-saw and a rope-making machine. That he escaped persecution for his advanced ideas he probably owed to the fact that his notebooks, which were written backwards and had to be deciphered by the aid of a mirror, remained unpublished until long after his death.

Printing broke down the localism of Europe and swept aside the intellectual barriers between North and South. The Mainz psalter, the oldest European dated book we have which was printed from movable type, appeared in 1457. Several of Gutenberg's pamphlets, and probably at least one book, were published earlier. By about 1500, there were in Germany alone a thousand printing plants large enough to be recorded, and other peoples were not slow in taking up the new "German art," as it was called. (Perhaps "Chinese art" would be more accurate.) Knowledge and ideas became international immediately, but the new publicity only served to intensify the consciousness of national differences. Germans saw themselves exploited by Emperors and Italians. In the struggle against both at once which was about to open, the printed pamphlet was to demonstrate its vast and unsuspected power. Real public opinion was born with the printing press.

In the meantime, after more than half a century of pre-

paration, Vasco da Gama had at last reached the Indies by sailing around Africa, and Columbus thought he had attained the same goal by striking out westward across the Atlantic. No intelligent person could longer argue the flatness of the earth. Ideas of strange lands and new economic opportunities were spreading like a prairie fire across Europe as the century closed, and an age with it. The profits on Vasco da Gama's initial voyage to India had been about six thousand per cent. Social and political allegiances were shifting — as yet almost imperceptibly, but none the less surely. The objects of those unsettled allegiances, the institutions themselves, were no longer what they had been, and it was not yet clear what they should become. A body of skill, invention, and collective social force was emerging from the mediæval shell which had developed but held it.

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Note: For a deeper study of this intricate subject, consult the titles given in Paetow's *Guide to the Study of Medieval History*, pp. 250 ff. Pirenne's short bibliography at the close of his *Medieval Cities* is particularly well selected. Some sources have been omitted in the above list because it seemed safer to turn to them from that excellent book, if time affords. At the close of ch. III in the Ogg reference (above) will be found a fuller list. Professor Ashley's *Introduction* has very full notes on sources at the end of the chapters. Max Weber's *Wirtschaftsgeschichte* gives notes on the European literature at the head of each chapter. It is especially good for the continental material. This is a thought-provoking book, and is highly recommended to those who read German. Palgrave's *Dictionary of Political Economy* has articles by authorities on the most important subjects.

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